



**Town of Surfside
Town Commission Meeting
AGENDA
July 11, 2017
7 p.m.**

Town Hall Commission Chambers - 9293 Harding Ave, 2nd Floor
Surfside, FL 33154

Rule 7.05 Decorum. Any person making impertinent or slanderous remarks or who becomes boisterous while addressing the commission shall be barred from further appearance before the commission by the presiding officer, unless permission to continue or again address the commission is granted by the majority vote of the commission members present. No clapping, applauding, heckling or verbal outbursts in support or opposition to a speaker or his or her remarks shall be permitted. Signs or placards may be disallowed in the commission chamber by the presiding officer. Persons exiting the commission chambers shall do so quietly.

Rule 6.05 Agenda. The good and welfare portion of the agenda set for 8:15 p.m. shall be restricted to discussion on subjects not already specifically scheduled on the agenda for discussion and debate. In no event shall this portion of the agenda be allotted more than 45 minutes with each speaker to be given no more than three minutes, unless by vote of a majority of the members of the commission present, it is agreed to extend the time frames. Likewise, commission members shall be restricted to speaking three minutes each unless an extension is granted in the same manner as set forth in the prior sentence.

Any person who received compensation, remuneration or expenses for conducting lobbying activities is required to register as a lobbyist with the Town Clerk prior to engaging in lobbying activities per Town Code Sec. 2-235. "Lobbyist" specifically includes the principal, as defined in this section, as well as any agent, officer or employee of a principal, regardless of whether such lobbying activities fall within the normal scope of employment of such agent, officer or employee. The term "lobbyist" specifically excludes any person who only appears as a representative of a not-for-profit corporation or entity (such as charitable organization, a trade association or trade union), without special compensation or reimbursement for the appearance, whether direct, indirect, or contingent, to express support or opposition to any item.

Per Miami Dade County Fire Marshal, the Commission Chambers has a maximum capacity of 99 people. Once reached this capacity, people will be asked to watch the meeting from the first floor.

** Denotes agenda items as "must haves" which means there will be significant impacts if the item is not addressed tonight. If these items have not been heard by 10 p.m., the order of the agenda will be changed to allow them to be heard.*

1. Opening

- A. Call to Order**
- B. Roll Call of Members**
- C. Pledge of Allegiance**
- D. Mayor and Commission Remarks – Mayor Daniel Dietch**
- E. Agenda and Order of Business Additions, deletions and linkages**
- F. Community Notes – Mayor Daniel Dietch**
- G. Scholarship Awards Presentation – Mayor Daniel Dietch**
- H. Safe Harbour–Creating a Walkable Surfside – Guillermo Olmedillo, Town Manager**

2. Quasi-Judicial Hearings (None)

3. Consent Agenda (*Set for approximately 7:30 p.m.*)

All items on the consent agenda are considered routine or status reports by the Town Commission and will be approved by one motion. Any Commission member may request that an item be removed from the Consent Agenda and discussed separately.

Recommended Motion: To approve all consent agenda items as presented below.

A. Minutes – Sandra Novoa, MMC, Town Clerk

June 13, 2017 Regular Town Commission Meeting Minutes

June 15, 2017 Budget Workshop Meeting Minutes

June 15, 2017 Special Town Commission Meeting Minutes

June 22, 2017 Special Town Commission Meeting Minutes

June 27, 2017 Special Town Commission Meeting Minutes

***B. Town Manager’s Report – Guillermo Olmedillo, Town Manager**

- 1. See Click Fix
- 2. Interlocal Shuttle Update
- 3. Development Application Status
- 4. Code Compliance
- 5. Finance
- 6. Information Technology
- 7. Police Department

***C. Town Attorney’s Report – Linda Miller, Town Attorney**

D. Committee Reports – Guillermo Olmedillo, Town Manager

- April 3, 2017 Tourist Board Meeting Minutes
- April 25, 2017 Parks and Recreation Committee Meeting Minutes
- May 1, 2017 Tourist Board Meeting Minutes
- May 25. 2017 Planning and Zoning Board Meeting Minutes

4. Ordinances

(Set for approximately N/A p.m.) (Note: Good and Welfare must begin at 8:15)

A. Second Reading Ordinances

(Set for approximately N/A p.m.) (Note: Good and Welfare must begin at 8:15)

B. First Reading Ordinances

5. Resolutions and Proclamations

(Set for approximately 7:45 p.m.) (Note: Depends upon length of Good and Welfare)

A. Town Website – Guillermo Olmedillo, Town Manager

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA APPROVING CALVIN, GIORDANO & ASSOCIATES, INC. WORK AUTHORIZATION NO. 101 FOR SURFSIDE WEBSITE REDESIGN; AUTHORIZING THE EXPENDITURE FROM THE 2016/2017 FISCAL YEAR BUDGET IN THE TOTAL AMOUNT OF \$49,500 FROM THE BUILDING SERVICES DEPARTMENT OTHER CONTRACTUAL SERVICES ACCOUNT NO. 150-2500-524-3410 IN THE AMOUNT OF \$24,750 AND THE GENERAL FUND EXECUTIVE DEPARTMENT OTHER CONTRACTUAL SERVICES ACCOUNT NO. 001-2000-512-3410 \$24,750 IN THE AMOUNT OF \$24,750; PROVIDING FOR APPROVAL AND AUTHORIZATION; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

B. Four Year Staggered Terms for the Town Commission and Retain Two Year Term for Mayor – Commissioner Michael Karukin

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA CALLING FOR A MARCH 20, 2018 TOWN OF SURFSIDE SPECIAL ELECTION, FOR THE PURPOSE OF SUBMITTING TO THE ELECTORATE OF THE TOWN OF SURFSIDE, FLORIDA A BALLOT QUESTION ON AMENDMENTS TO THE TOWN CHARTER “ESTABLISHING FOUR YEAR STAGGERED TERMS FOR COMMISSIONERS AND RETAINING MAYOR’S TWO YEAR TERM” COMMENCING WITH TOWN’S GENERAL ELECTION IN 2020; PROVIDING FOR THE TOWN CLERK TO UTILIZE THE SERVICES OF MIAMI-DADE COUNTY SUPERVISOR OF ELECTIONS; PROVIDING FOR REPEALER; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

6. Good and Welfare (Set for approximately 8:15 p.m.)

Public comments for subjects or items not on the agenda. Public comment on agenda items will be allowed when agenda item is discussed by the Commission.

7. Town Manager and Town Attorney Reports

Town Manager and Town Attorney Reports have been moved to the Consent Agenda – Item 3.

All items on the Consent Agenda are considered routine or status reports by the Town Commission and will be approved by one motion. Any Commission member may request that an item be removed from the consent agenda and discussed separately.

8. Unfinished Business and New Business

9. Mayor, Commission and Staff Communications

- A. Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended September 30, 2016 –** Guillermo Olmedillo, Town Manager
- B. Public Information Program –** Guillermo Olmedillo, Town Manager
- C. Parking Structure –** Guillermo Olmedillo, Town Manager
- D. Artificial Grass –** Guillermo Olmedillo, Town Manager
- E. Modifying Measurement of Height to Prepare for Sea Level Rise –** Sarah Sinatra Gould, Town Planner
- F. August Meeting [Verbal] –** Guillermo Olmedillo, Town Manager
- G. Status of Comp Plan Amendments [Verbal] –** Guillermo Olmedillo, Town Manager

10. Adjournment

Respectfully submitted,



Duncan Tavares
Assistant Town Manager

THIS MEETING IS OPEN TO THE PUBLIC. IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1990, ALL PERSONS THAT ARE DISABLED; WHO NEED SPECIAL ACCOMMODATIONS TO PARTICIPATE IN THIS MEETING BECAUSE OF THAT DISABILITY SHOULD CONTACT THE OFFICE OF THE TOWN CLERK AT 305-861-4863 EXT. 226 NO LATER THAN FOUR DAYS PRIOR TO SUCH PROCEEDING.

IN ACCORDANCE WITH THE PROVISIONS OF SECTION 286.0105, FLORIDA STATUTES, ANYONE WISHING TO APPEAL ANY DECISION MADE BY THE TOWN OF SURFSIDE COMMISSION, WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING OR HEARING, WILL NEED A RECORD OF THE PROCEEDINGS AND FOR SUCH PURPOSE, MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE WHICH RECORD SHALL INCLUDE THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

AGENDA ITEMS MAY BE VIEWED AT THE OFFICE OF THE TOWN CLERK, TOWN OF SURFSIDE TOWN HALL, 9293 HARDING AVENUE. ANYONE WISHING TO OBTAIN A COPY OF ANY AGENDA ITEM SHOULD CONTACT THE TOWN CLERK AT 305-861-4863. A COMPLETE AGENDA PACKET IS ALSO AVAILABLE ON THE TOWN WEBSITE AT www.townofsurfsidefl.gov.

TWO OR MORE MEMBERS OF OTHER TOWN BOARDS MAY ATTEND THIS MEETING.

THESE MEETINGS MAY BE CONDUCTED BY MEANS OF OR IN CONJUNCTION WITH COMMUNICATIONS MEDIA TECHNOLOGY, SPECIFICALLY, A TELEPHONE CONFERENCE CALL. THE LOCATION 9293 HARDING AVENUE, SURFSIDE, FL 33154, WHICH IS OPEN TO THE PUBLIC, SHALL SERVE AS AN ACCESS POINT FOR SUCH COMMUNICATION.

SAFE HARBOUR

CREATING A WALKABLE SURFSIDE



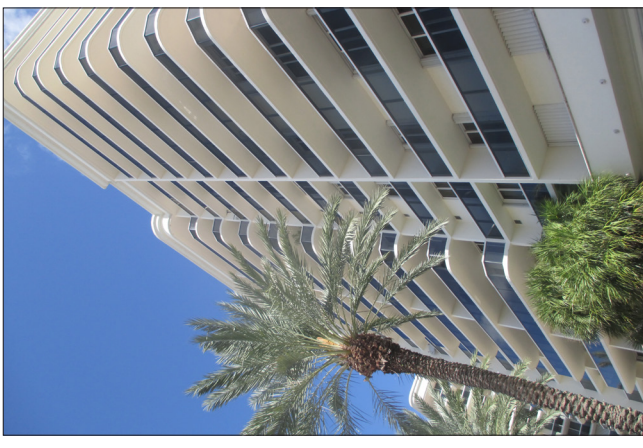
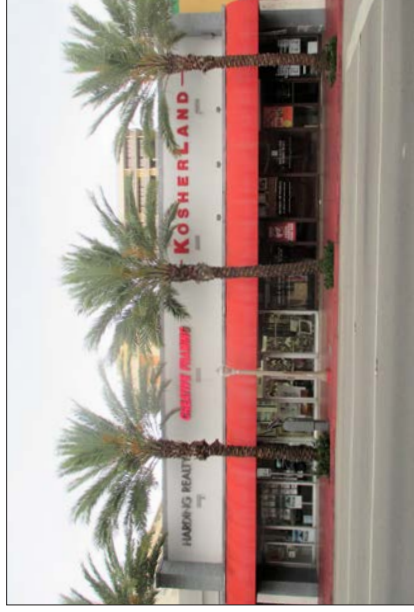
Alexis Alvey
Masters Project
FIU Spring 2017

PROJECT STATEMENT

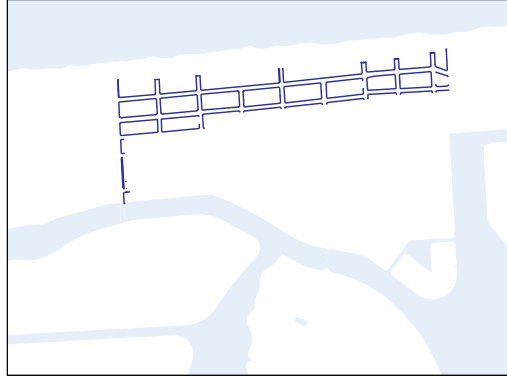
How can landscape architecture create a walkable neighborhood, in order to increase pedestrian safety, meet the needs of the community, and bring economic growth to main street?



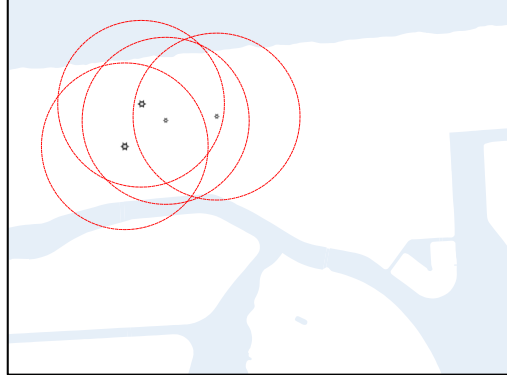
- Increase connectivity within the urban fabric
- Create enjoyable, comfortable, outdoor public spaces
- Re-design major roadways to create neighborhood-friendly streets



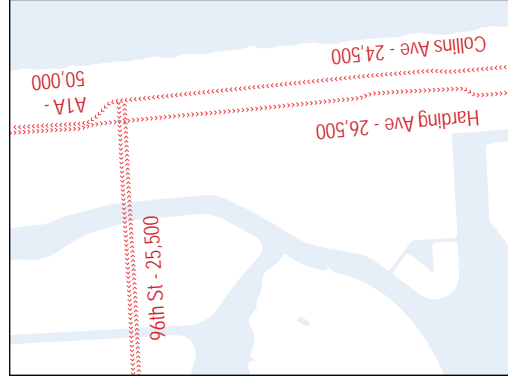
SITE ANALYSIS - CIRCULATION



All Sidewalks Within Surfside



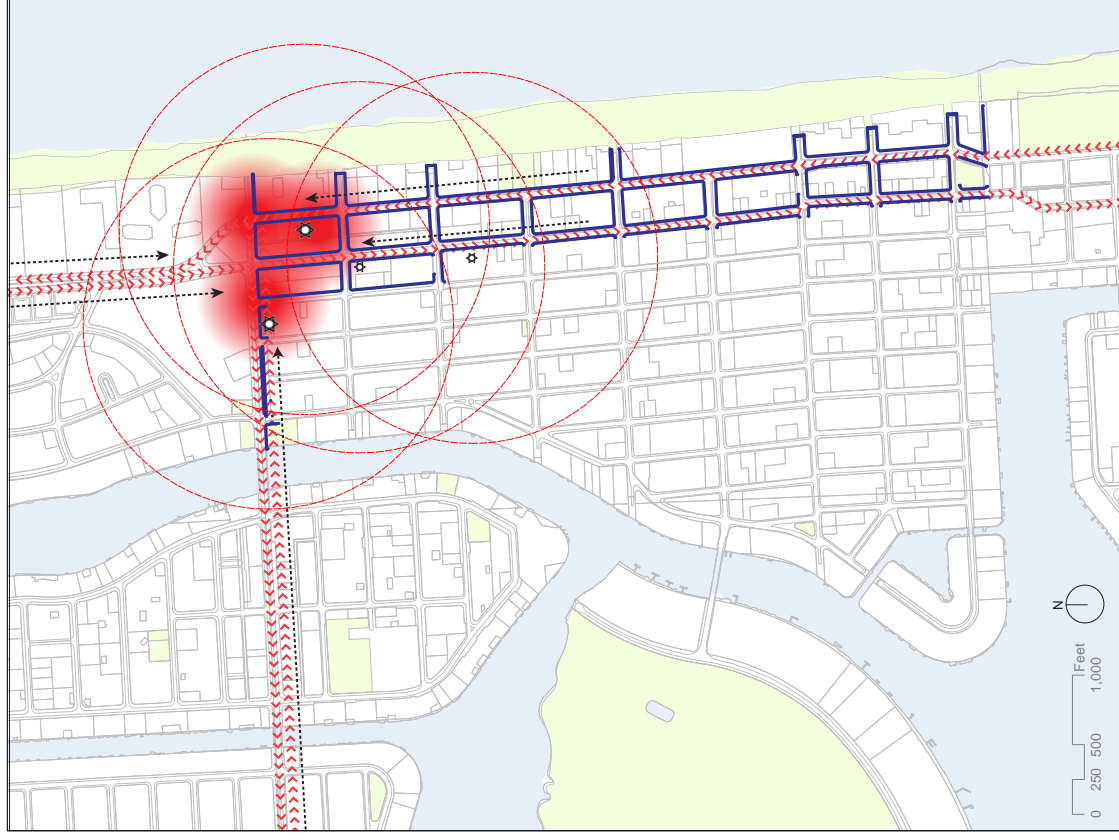
1/4 Mile Walk from Surfside Synagogues



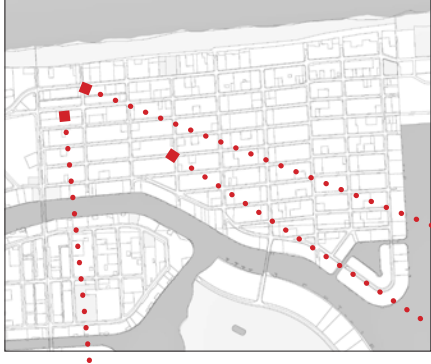
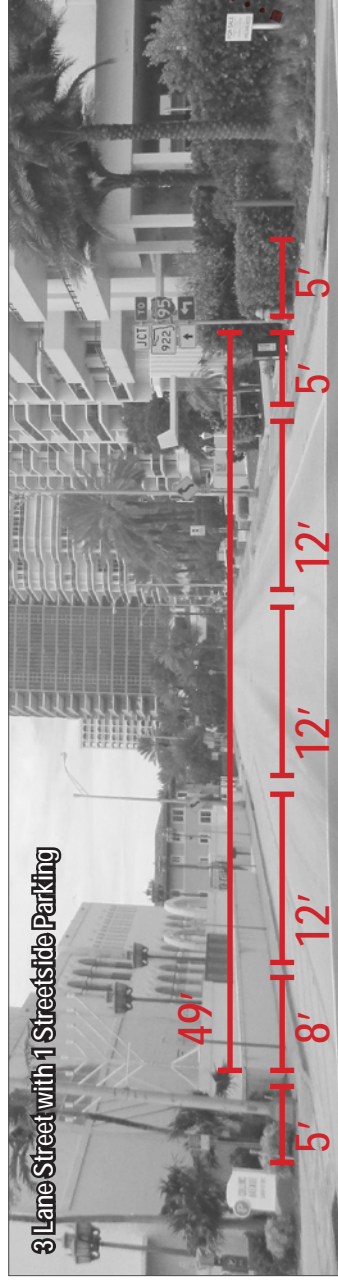
2015 Average Daily # of Vehicles on State Roads (Source: FDOT)



Main Pedestrian Routes to Synagogues & Longest Potential Route in Surfside - 1.5 Miles

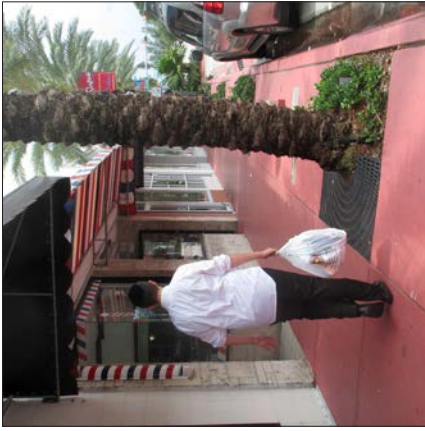


SITE ANALYSIS - STREET CONDITIONS

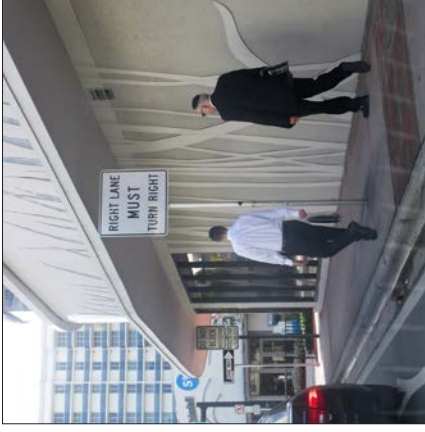


SITE ANALYSIS - PEDESTRIAN CONCERNS

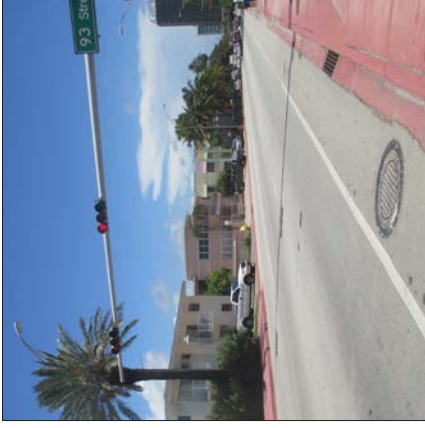
Poor Connectivity



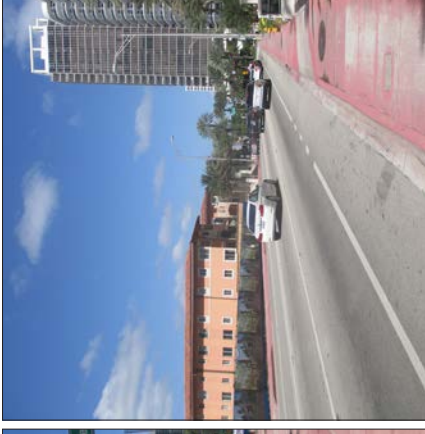
Lack of Space for Active Street Life



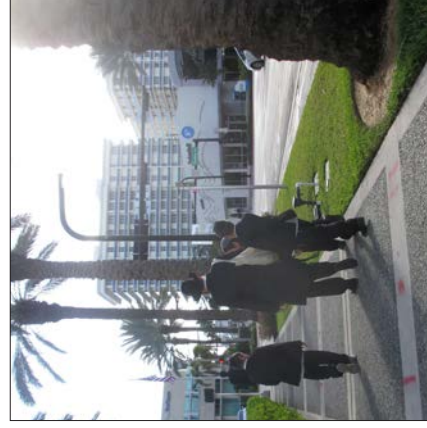
Inhospitable Microclimate



No Shade



Poor Beach and Bay Connectivity

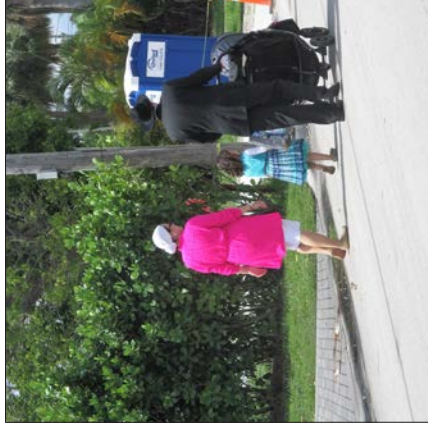


Excess Heat



SITE ANALYSIS - PEDESTRIAN CONCERNS

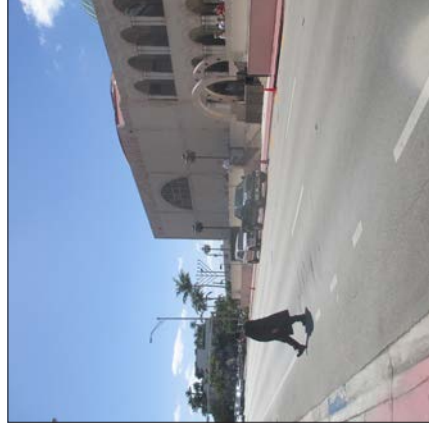
Safety Issues



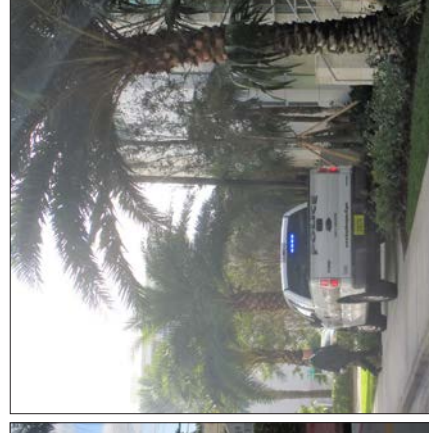
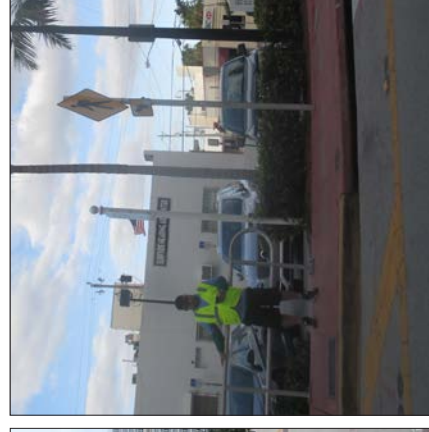
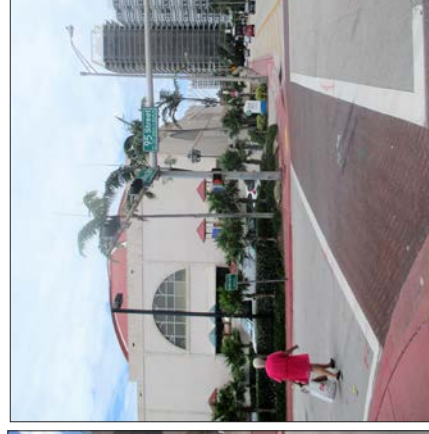
No Sidewalks in Residential Areas



Too Narrow Sidewalks & Fast Traffic

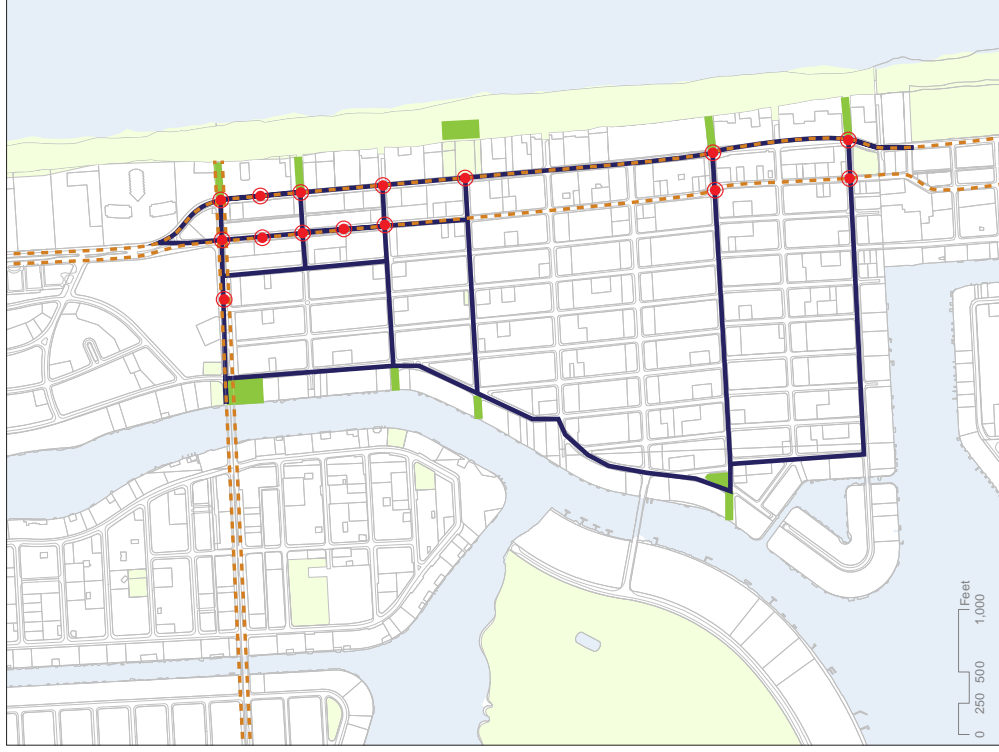


Insufficient Crossings



Staff & Police Needed to Help with Crossing High Volume Traffic Roads

CONNECTIVITY & MICROCLIMATE PLANS

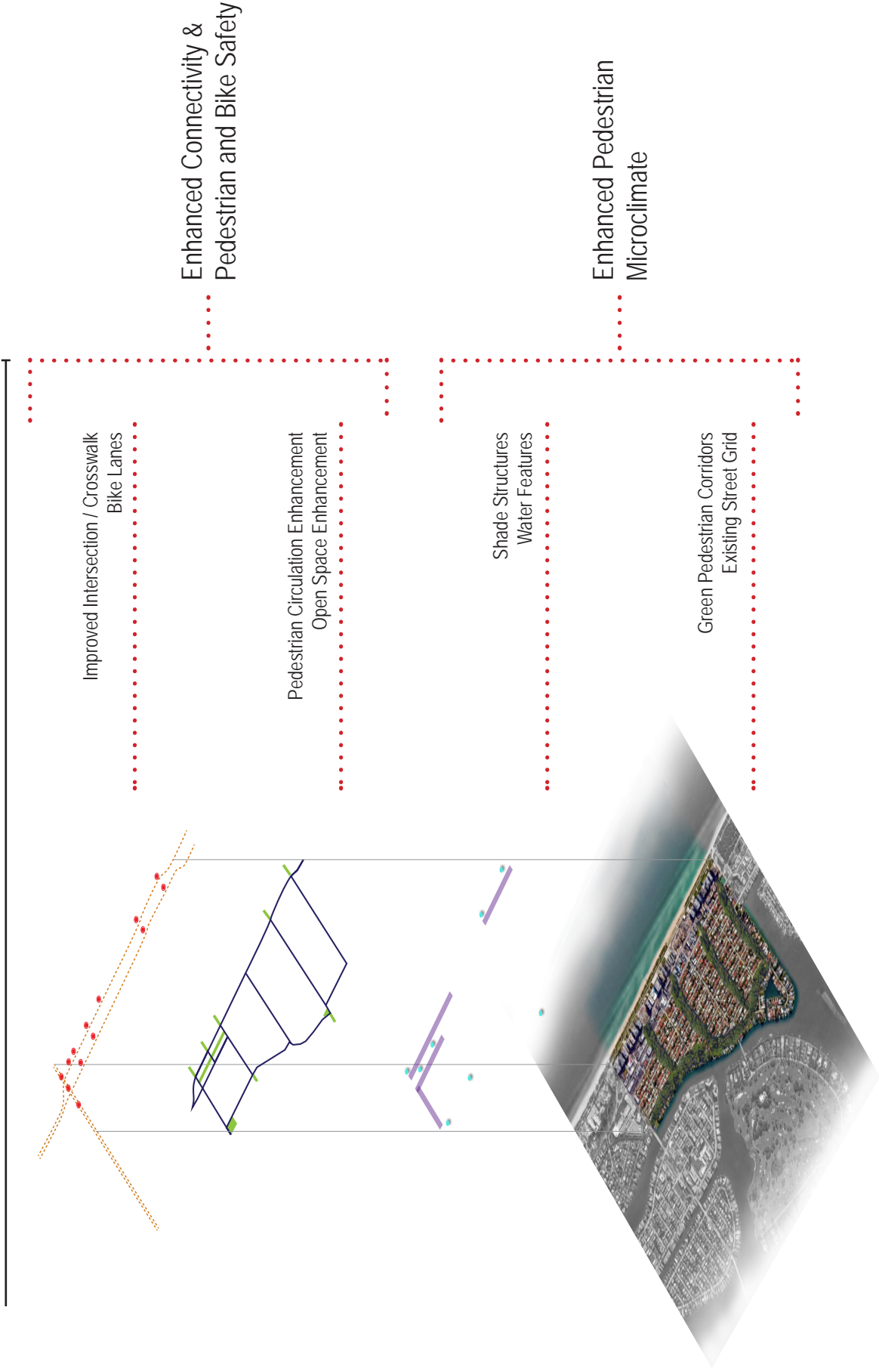


- Improved Intersection / Crosswalk
- Pedestrian Circulation Enhancement
- - - Bike Lane
- Open Space Enhancement



- Green Pedestrian Corridor
- Shade Structures
- Water Feature

MASTER PLAN



BEACH & BAY CONNECTIVITY - IMPLEMENTED



Public Bay Access at 94th St.



Public Beach Access at 88th St.

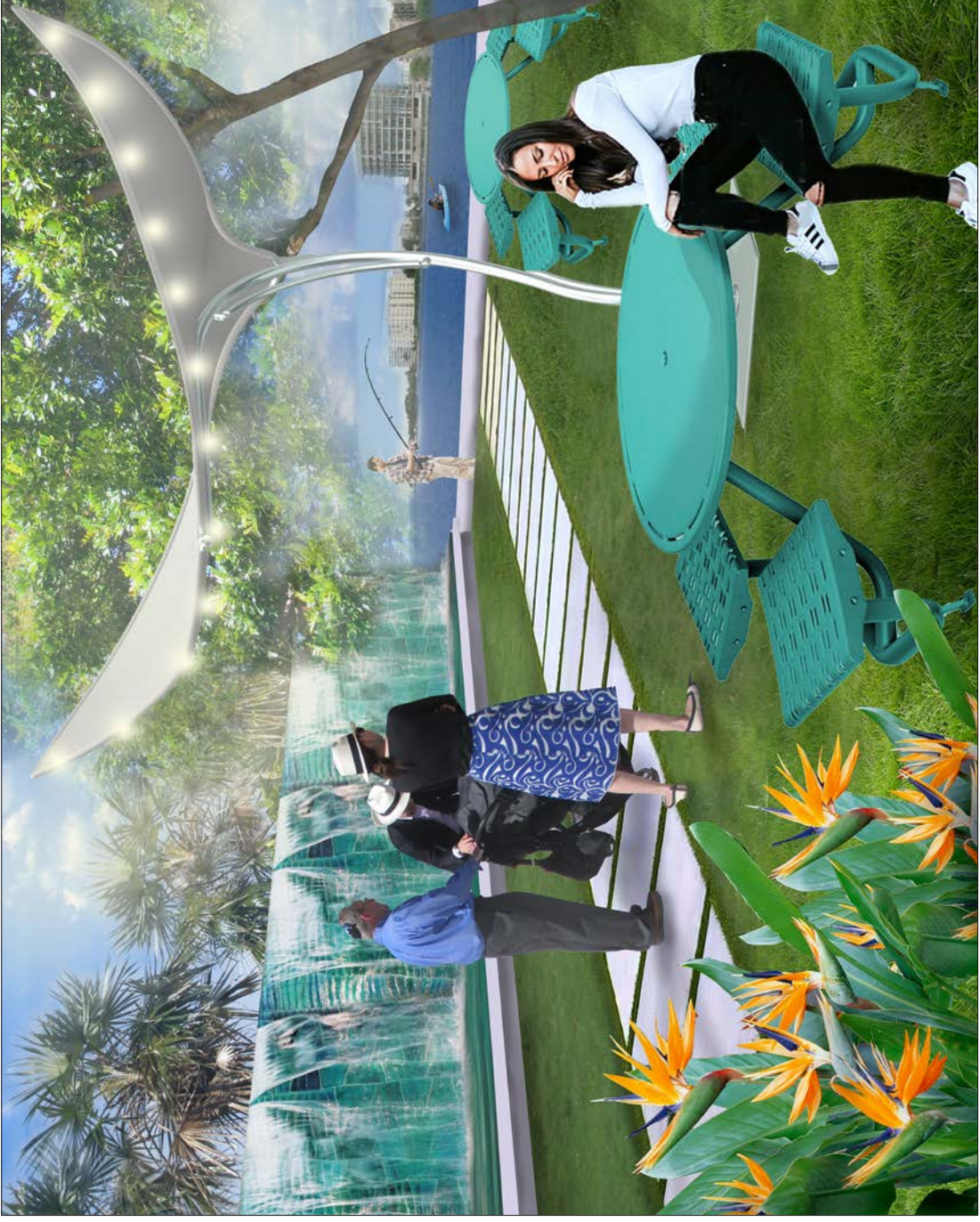


- Municipal Park
- Public Beach Access
- Public Bay Access
- Alleyway

PUBLIC BAY ACCESS - EXITING



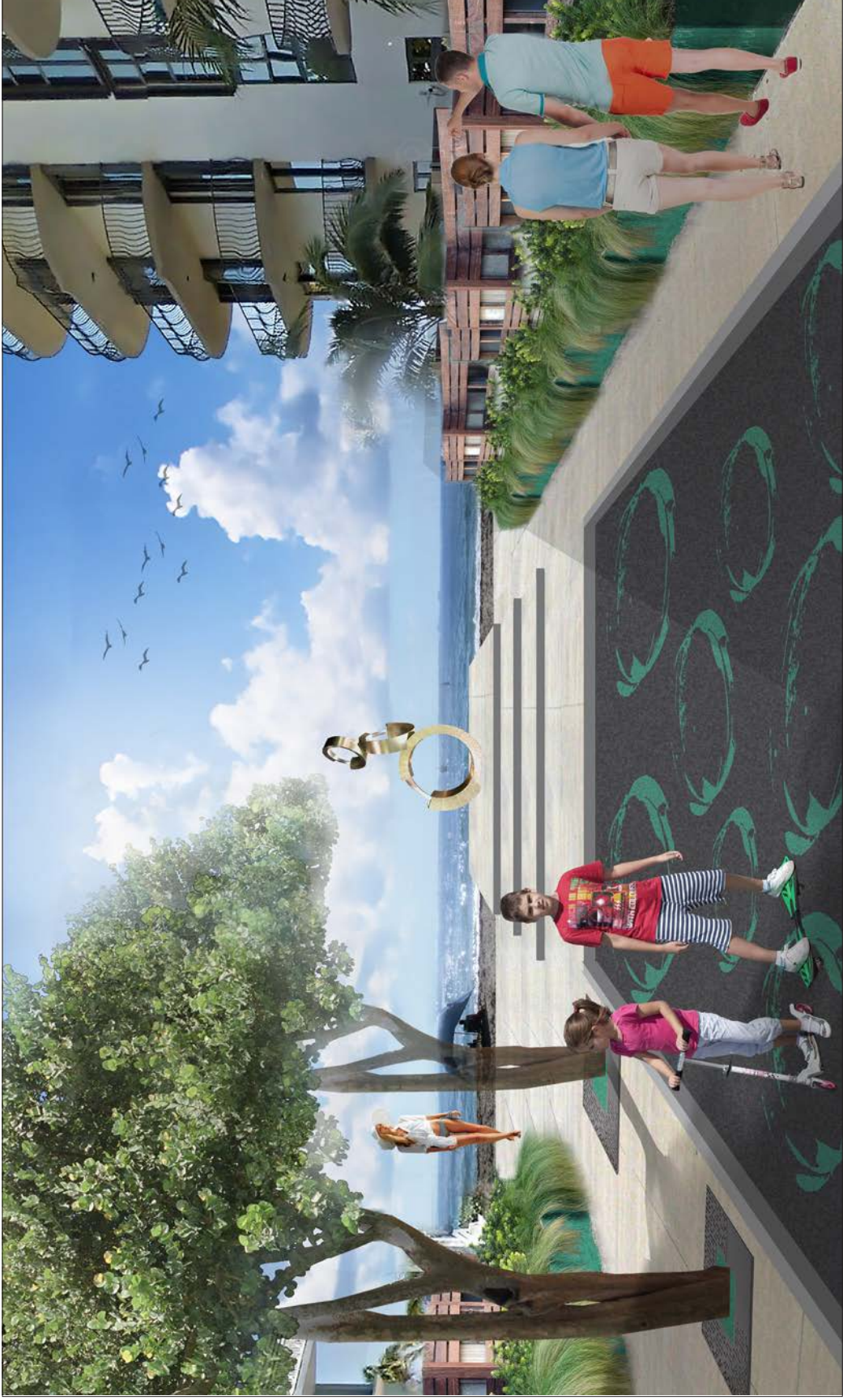
PUBLIC BAY ACCESS - PROPOSED



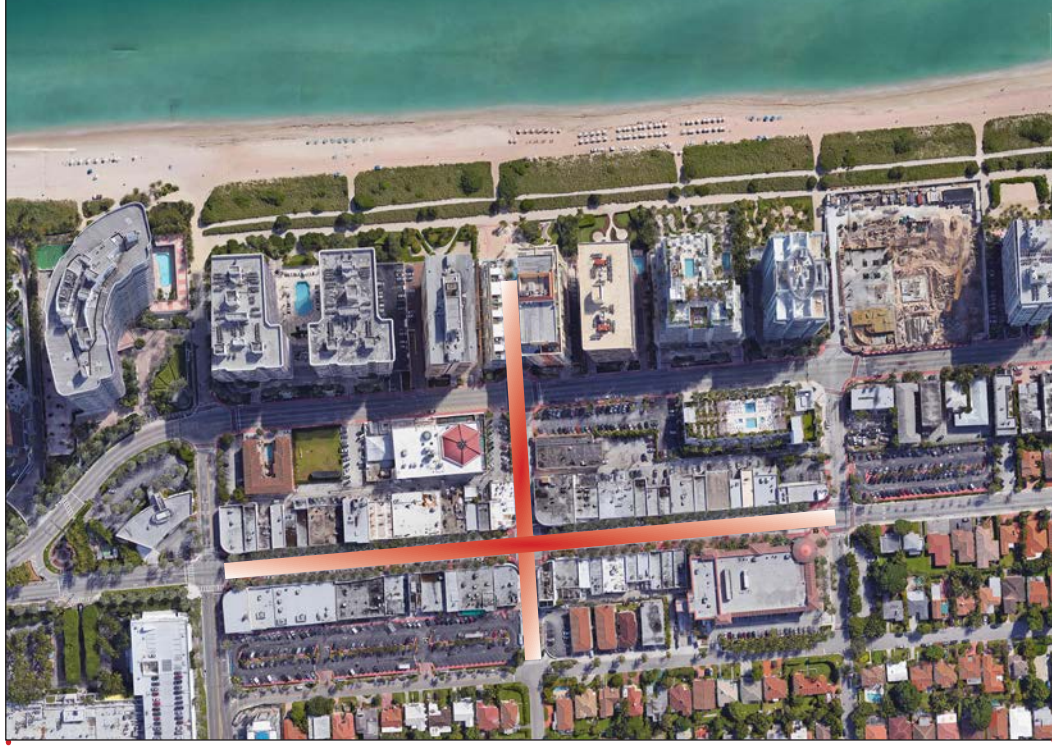
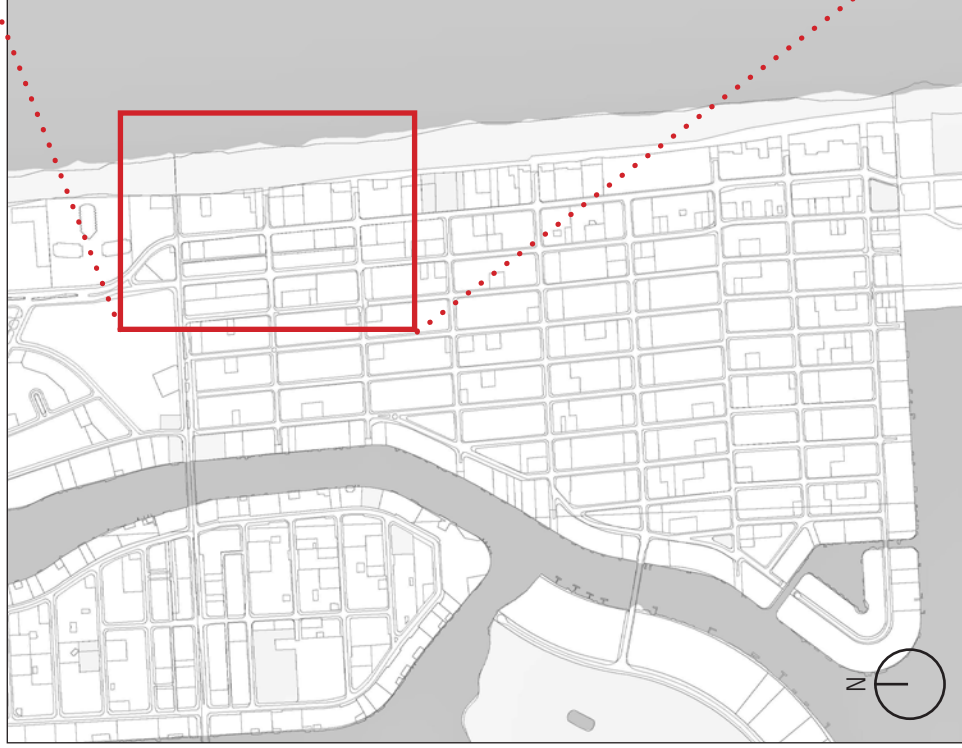
PUBLIC BEACH ACCESS - EXISTING



PUBLIC BEACH ACCESS - PROPOSED



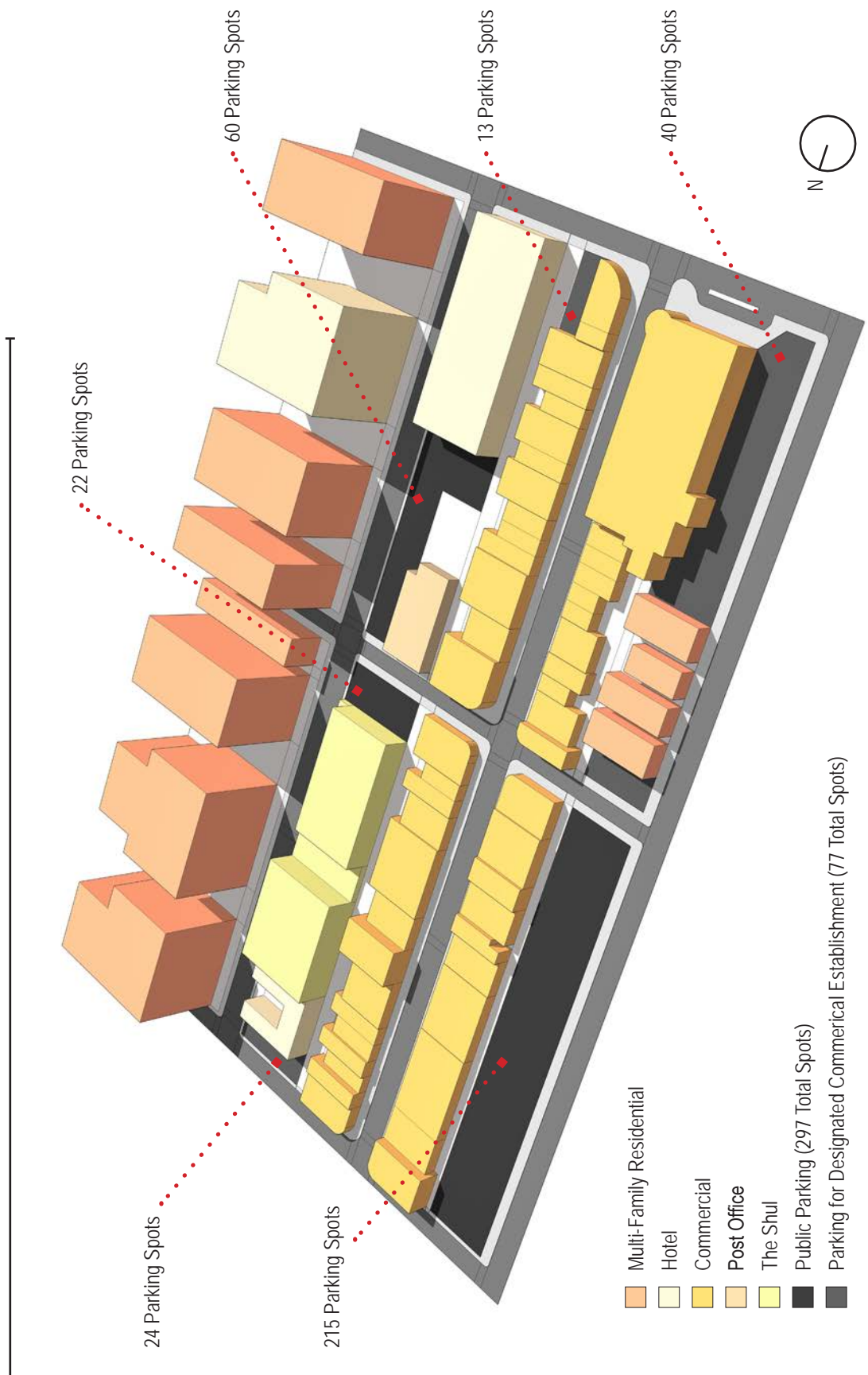
PROJECT FOCUS AREA



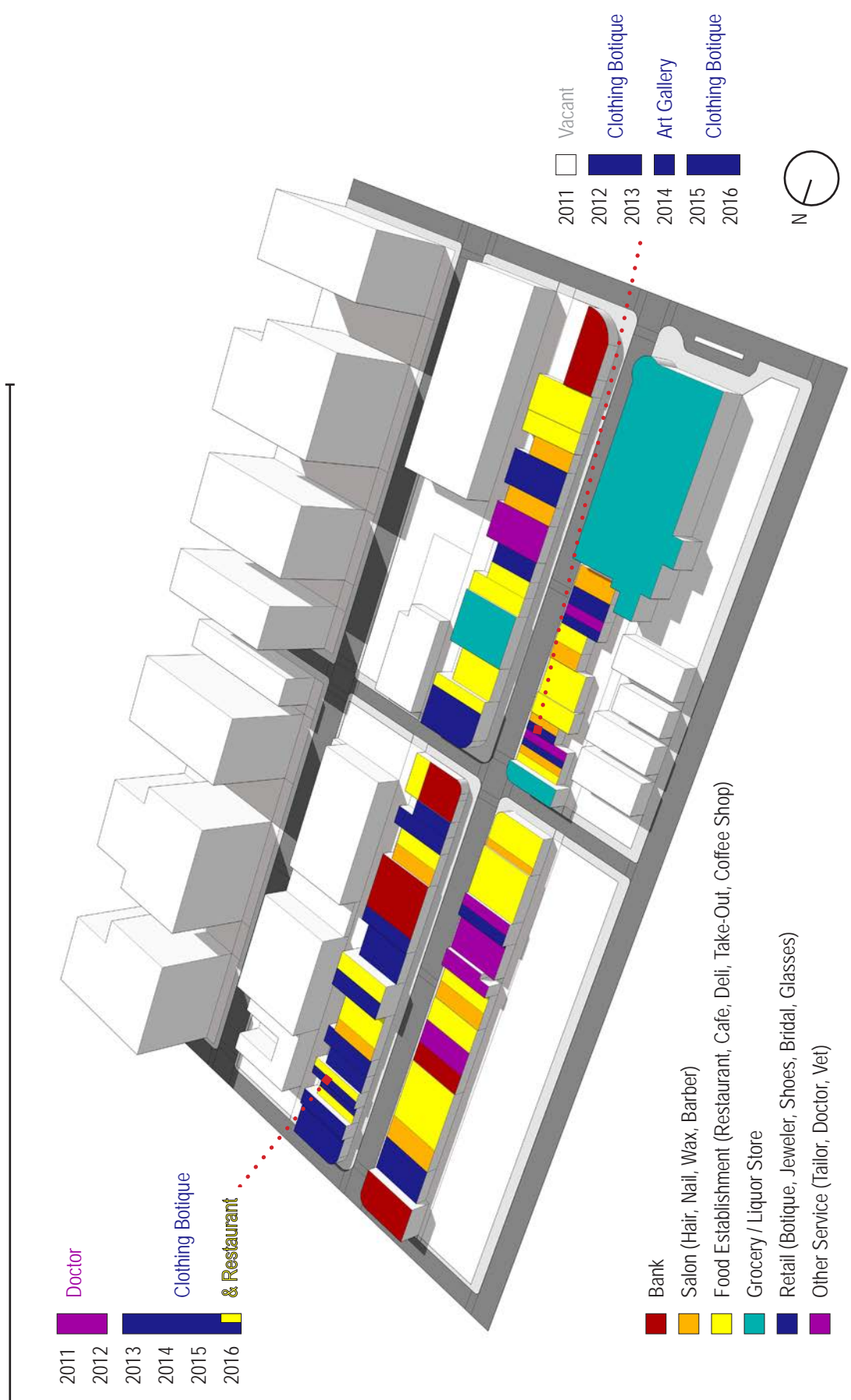
PROJECT FOCUS AREA




FOCUS AREA - LAND USE



HARDING AVE - COMMERCIAL USE

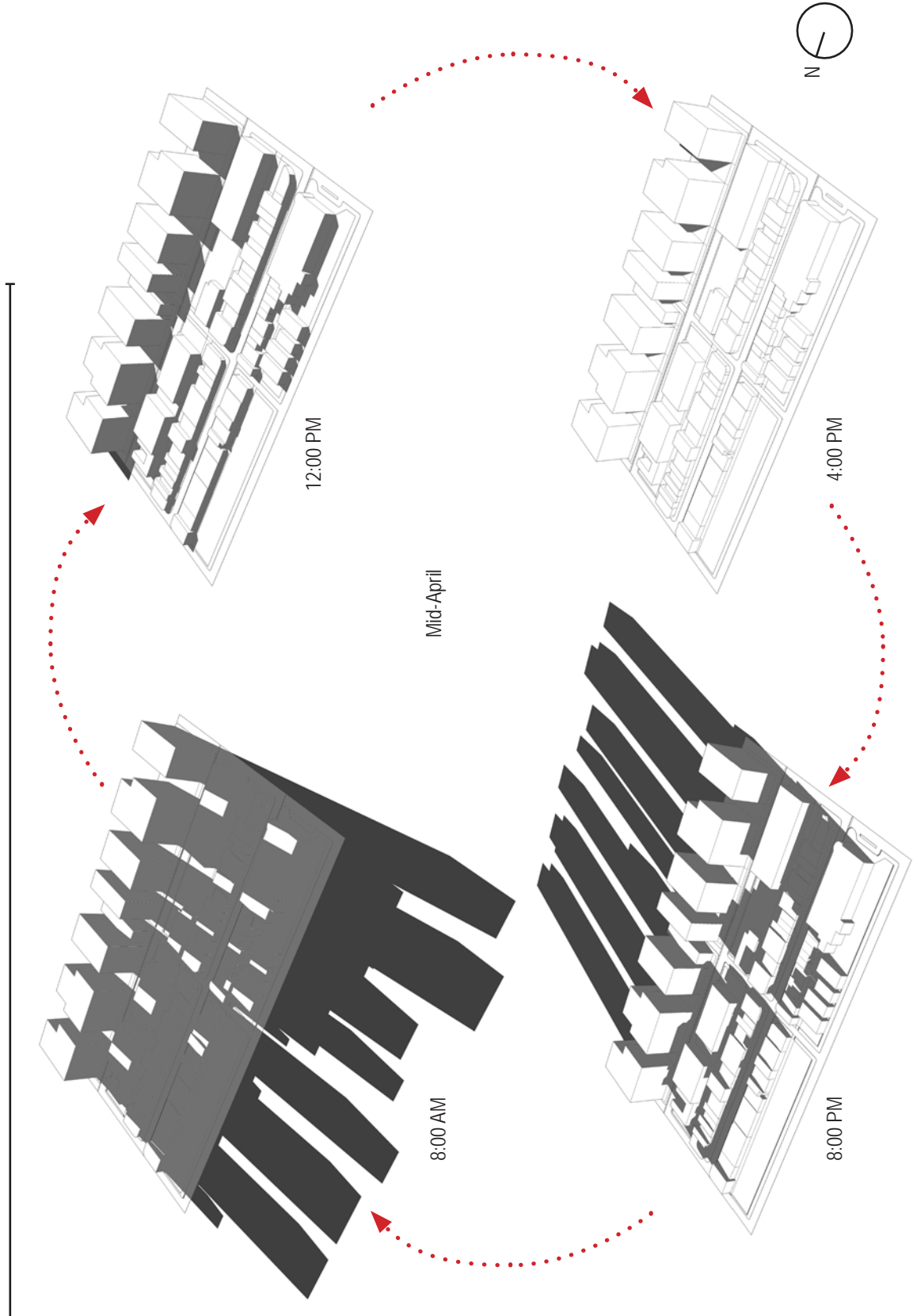


An aerial, isometric-style illustration of a commercial district. The buildings are rendered in various colors including yellow, purple, teal, and red, set against a grey background representing streets and other structures. The text is overlaid on this illustration.

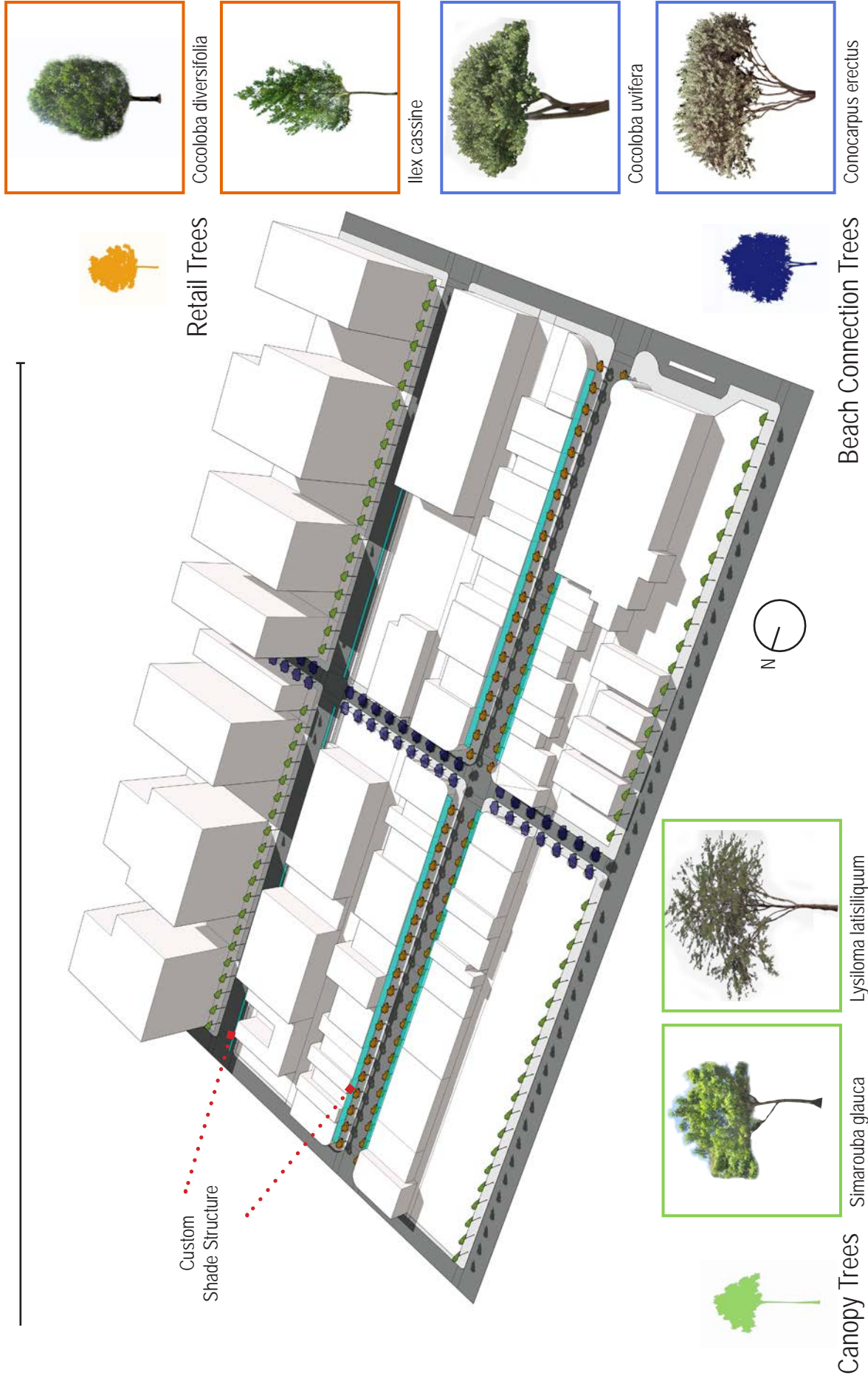
“Surveys in cities across the U.S. indicate that consumers are willing to spend **9% to 12% more** for goods and services in central business districts with high quality trees.”*

*Source: Wolf, Kathleen L. (2005). Business district streetscapes, trees, and consumer response. *Journal of Forestry* 103(8): 396-400.

FOCUS AREA - SHADE ANALYSIS

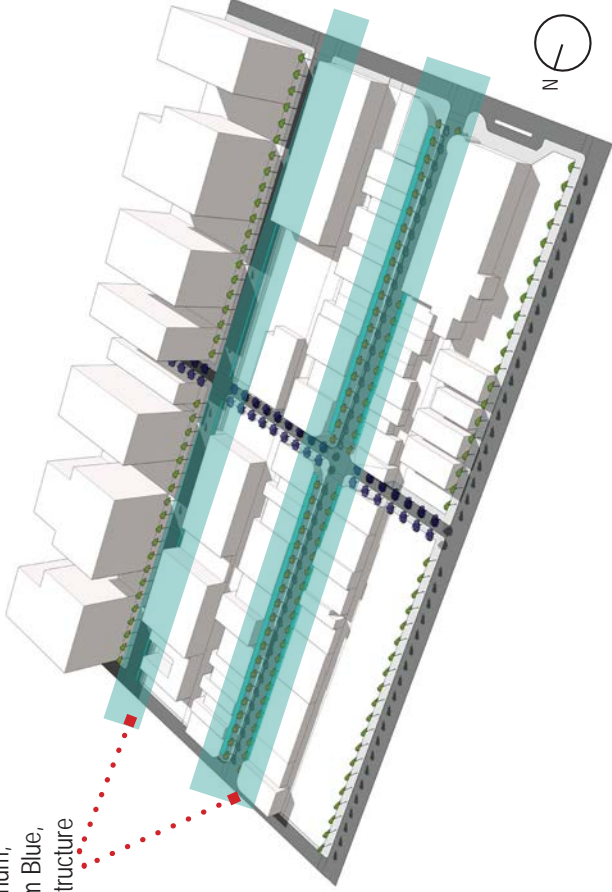


PROPOSED PLANTING STRATEGY



PROPOSED SHADE STRUCTURE

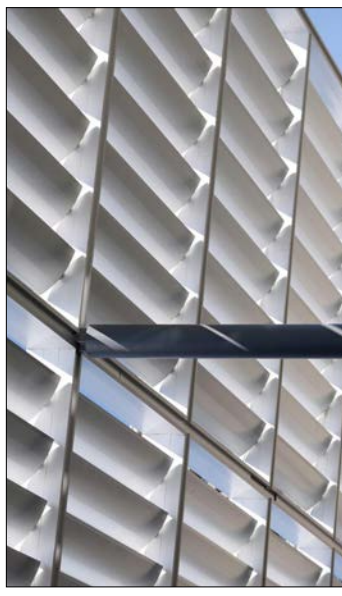
Custom, High-Grade
Aluminum,
Seafoam Blue,
Shade Structure



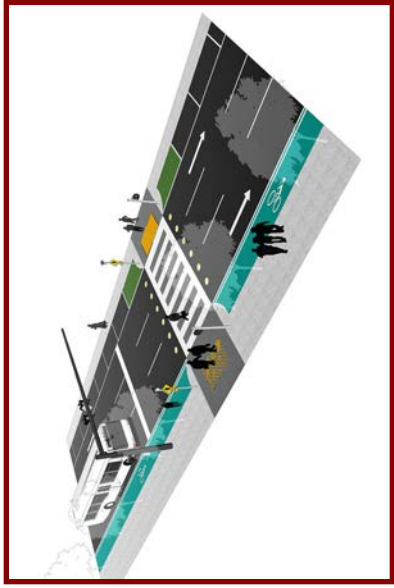
“On average, surface temperatures of concrete beneath the shade structure were **17°F less** than unshaded areas.”*

*Source - The Landscape Architecture Foundation. 2014. “The University of Texas at Arlington’s Case Study Investigation 2014: Sundance Square Plaza, & AT&T Performing Arts Center-Elaine and Charles Sammons Park, Methodology for Landscape Performance Benefits.” LAF CSI Program Landscape Performance Series.

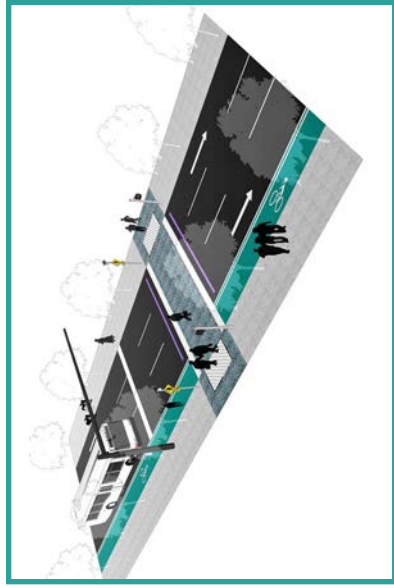
Winspear Opera House, Dallas TX
Canopy Design: Foster + Partners
Fabrication: Zahner



PROPOSED CROSSWALKS



High-Visibility Crosswalk

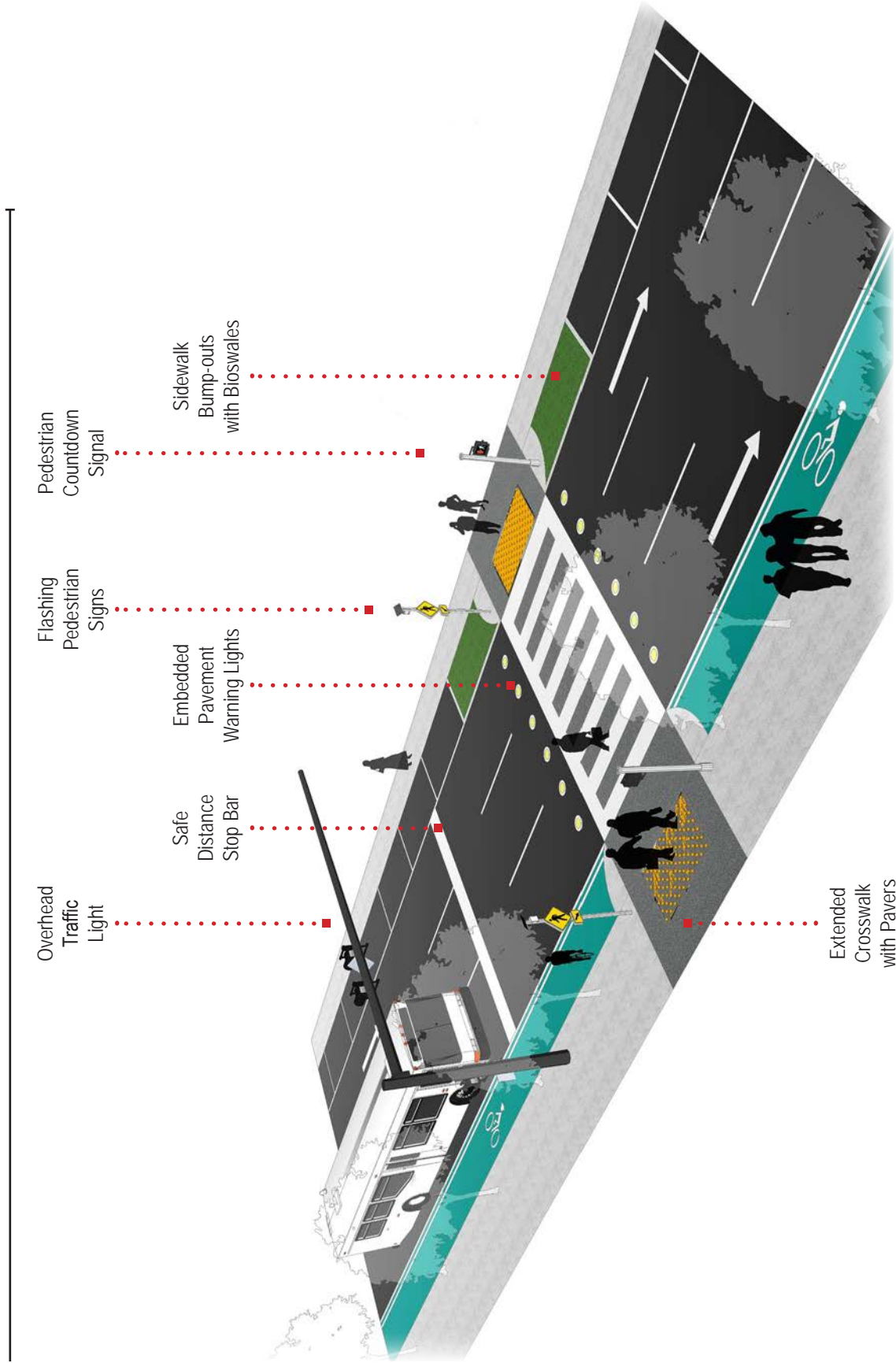


Surfside-Stylized Crosswalk

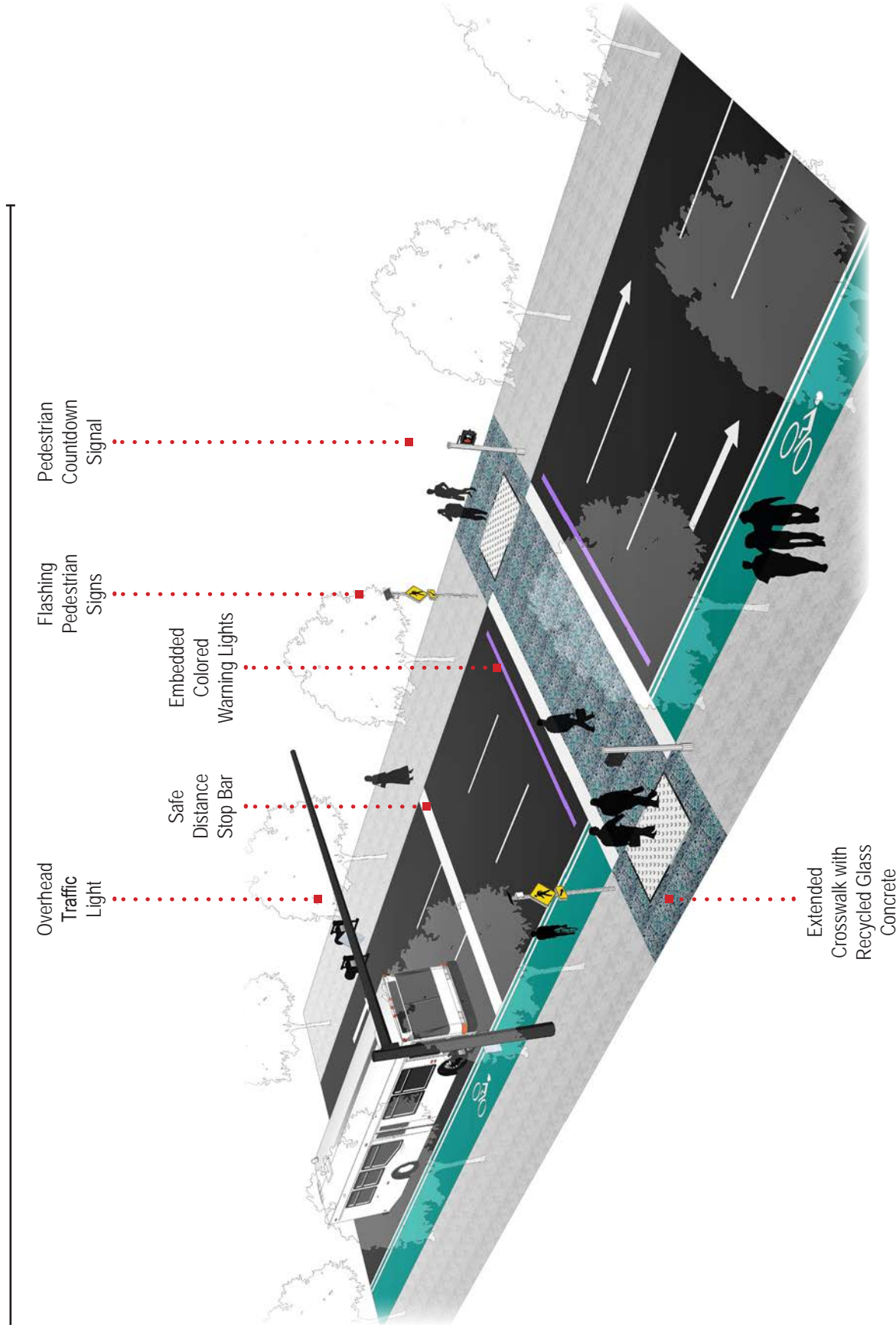


- High-Visibility Crosswalk
- Surfside-Stylized Crosswalk
- Regular Crosswalk
- Harding Ave / Beach Connection Corridor

HIGH-VISIBILITY CROSSWALK



SURFSIDE-STYLIZED CROSSWALK



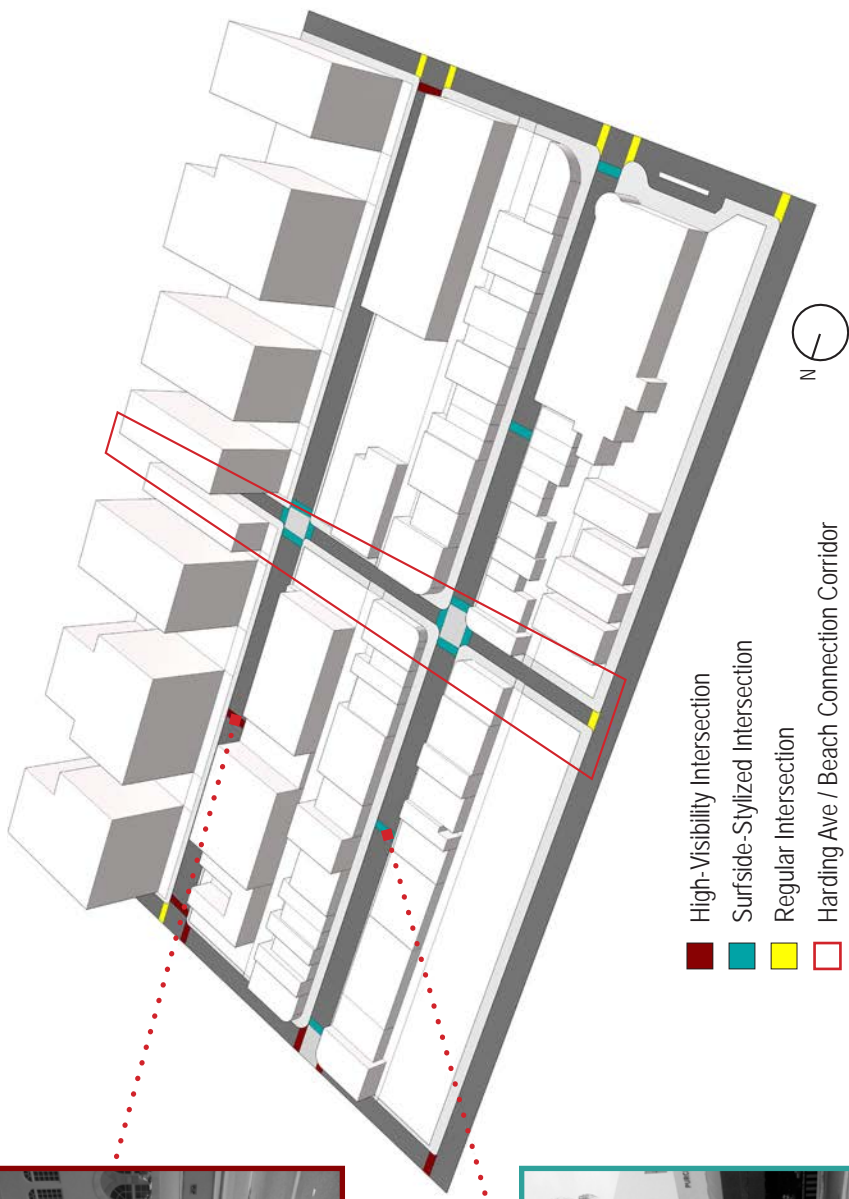
PROPOSED CROSSWALKS - IMPLEMENTED



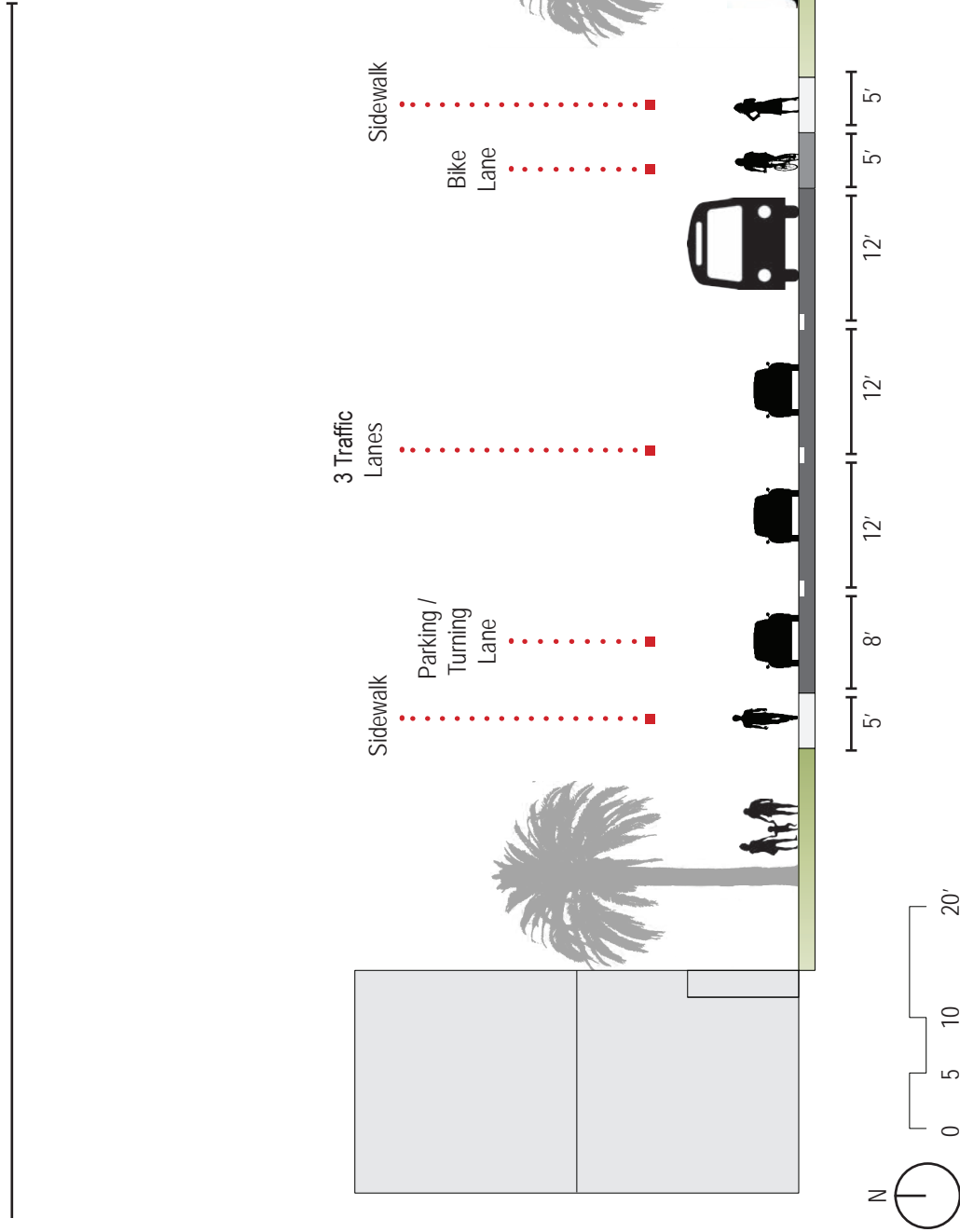
Collins Ave High-Visibility Intersection



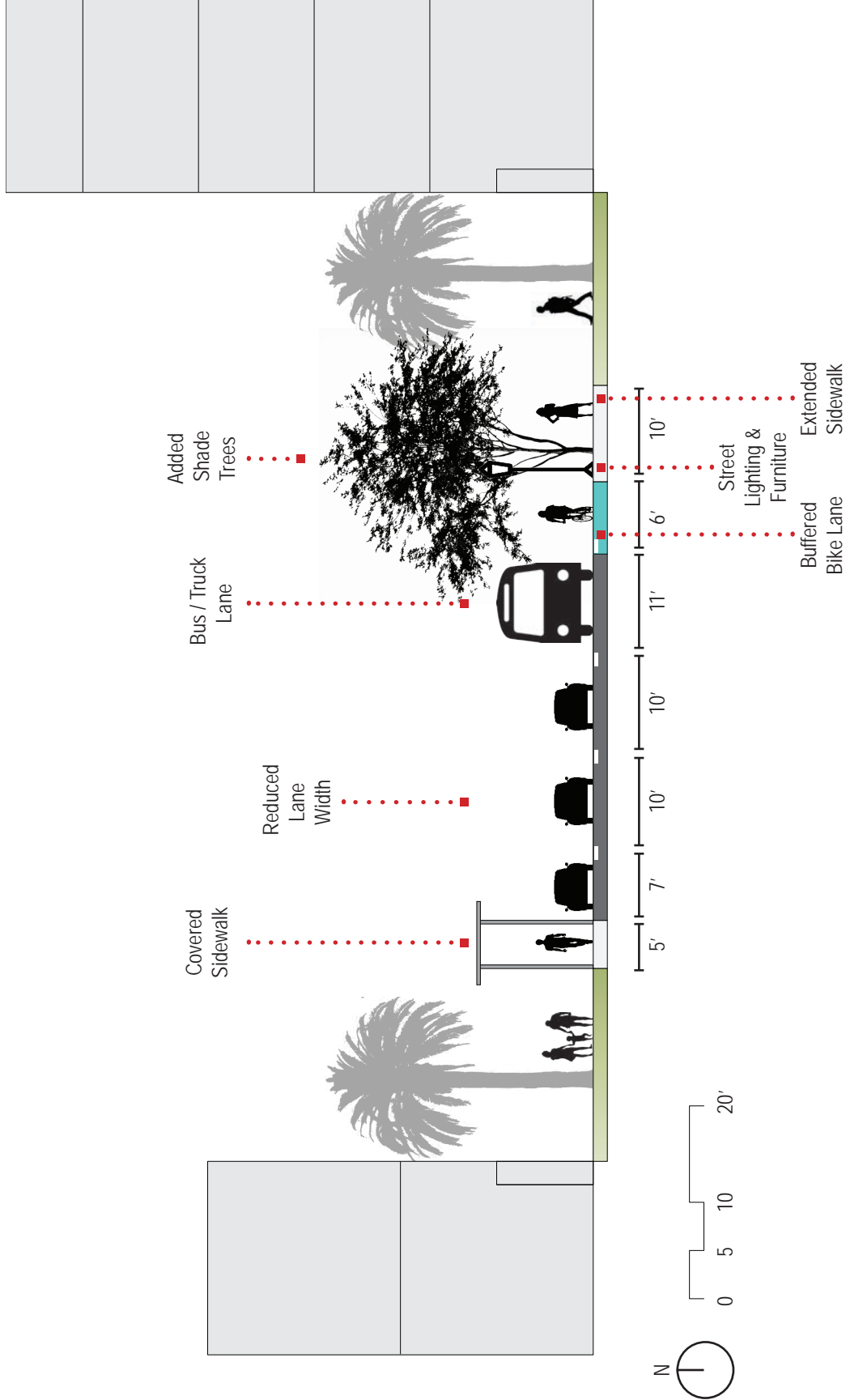
Harding Ave Surfside-Stylized Intersection



COLLINS AVE - EXISTING



COLLINS AVE - PROPOSED



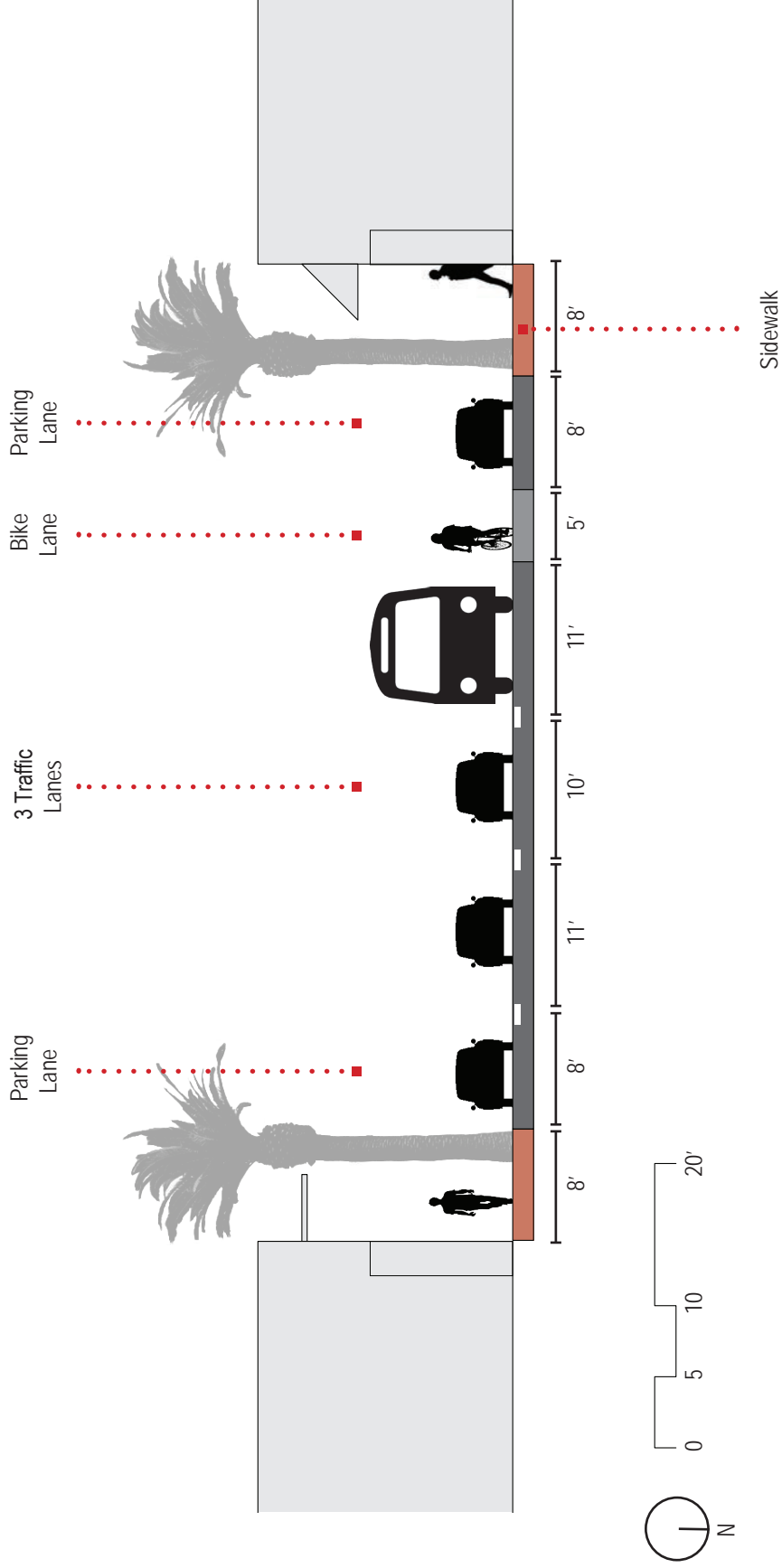
COLLINS AVE CROSSWALK - EXISTING



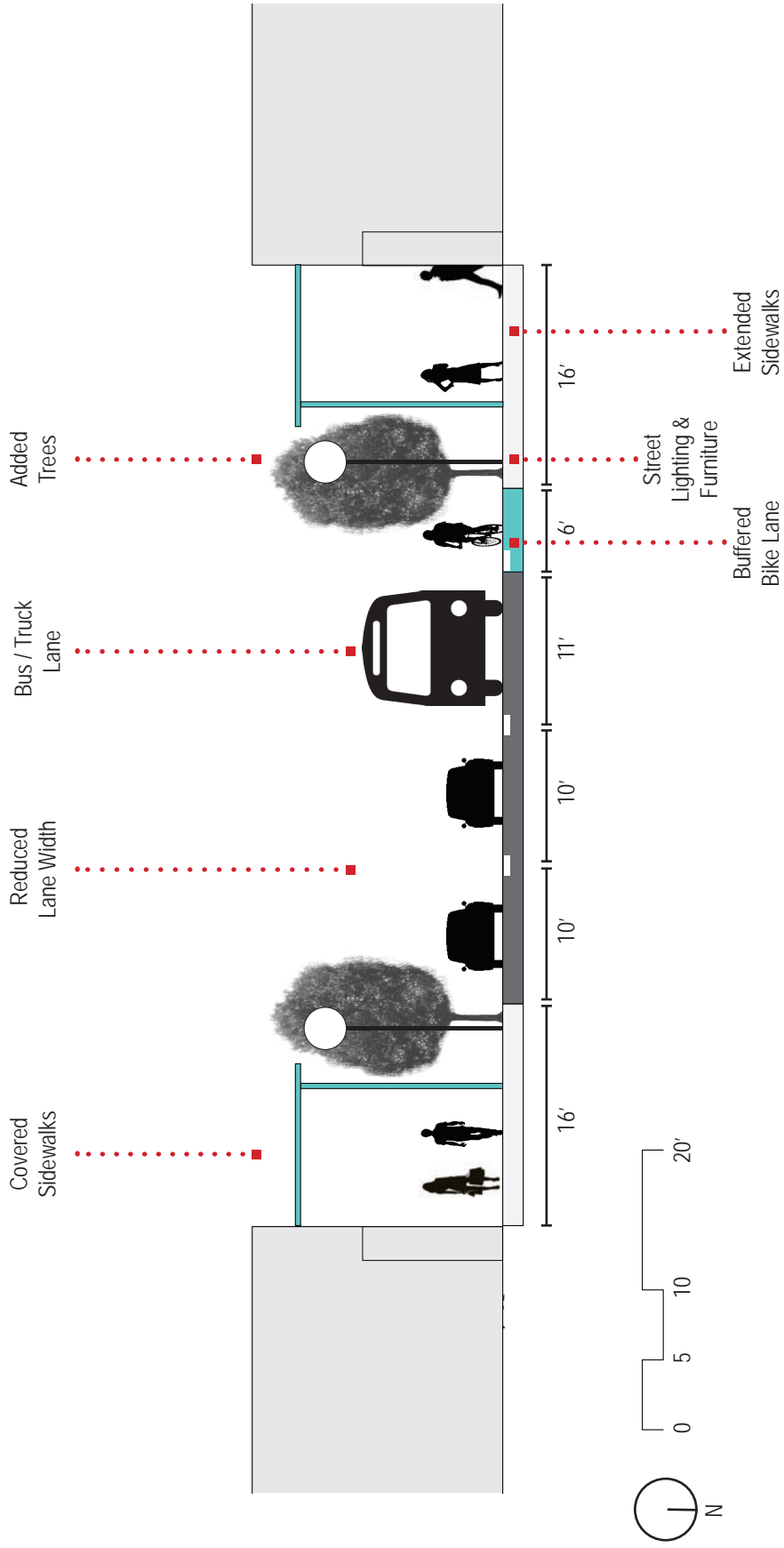
COLLINS AVE CROSSWALK - PROPOSED



HARDING AVE - EXISTING



HARDING AVE - PROPOSED



HARDING AVE CROSSWALK - EXISTING



HARDING AVE CROSSWALK - PROPOSED



SUMMARY - PROJECT BENEFITS

How can landscape architecture create a walkable neighborhood, in order to increase pedestrian safety, meet the needs of the community, and bring economic growth to main street?



Increased connectivity within the urban fabric

Increased Multi-Modal Mobility - Reconnected to Water - Enhanced Public Open Space

Created enjoyable, comfortable, outdoor public spaces

Increased Shade - Decreased Heat Experience - Provided Oasis

Re-designed major roadways to create neighborhood-friendly streets

Accommodated Pedestrians & Bicycles - Promoted Safe & Efficient Vehicle Traffic Flow - Fostered Small Business Growth





**Town of Surfside
Town Commission Meeting
MINUTES
June 13, 2017
7 p.m.**

Town Hall Commission Chambers - 9293 Harding Ave, 2nd Floor
Surfside, FL 33154

1. Opening

A. Call to Order

Mayor Dietch called the meeting to order at 7:02 p.m.

B. Roll Call of Members

Town Clerk Sandra Novoa called the roll with the following members present: Mayor Daniel Dietch, Vice Mayor Barry Cohen, Commissioner Tina Paul, Commissioner Michael Karukin and Commissioner Daniel Gielchinsky.

C. Pledge of Allegiance

Police Chief Allen led the Pledge of Allegiance.

D. Mayor and Commission Remarks – Mayor Daniel Dietch

Vice Mayor Cohen welcomed everyone and said the free reflective vests are available to the community.

E. Agenda and Order of Business Additions, deletions and linkages

Commissioner Karukin made a motion to move Item 5A up to 8:00 p.m. before Good and Welfare. The motion received a second from Commissioner Paul and all voted in favor.

Commissioner Karukin made a motion to link Item 9C with Item 9F. The motion received a second from Commissioner Gielchinsky and all voted in favor.

Commissioner Gielchinsky made a motion to move Item 4A1 after 5A and directly to public comments. Passing the gavel, the motion received a second from Mayor Dietch and all voted in favor.

F. Community Notes – Mayor Daniel Dietch

The Mayor announced recognitions the town had received. The Mayor announced upcoming community events which can be found in the Gazette and on the Town's website.

G. State Representative Joseph Geller – Guillermo Olmedillo, Town Manager

Representative Geller gave an overview on the legislative session.

H. Town Lobbyist Fausto Gomez Legislative Session Overview– Guillermo Olmedillo, Town Manager

Mr. Gomez gave a brief update of what has been happening in Tallahassee. Mr. Gomez addressed questions from the Commission.

I. Proclamation Presentation to Julia Magnani – Mayor Daniel Dietch

Mayor Dietch read the proclamation and thanked Julia Magnani for all she has done for the community.

J. GFOA Budget Award – Guillermo Olmedillo, Town Manager

Town Manager Olmedillo read a letter from the Government Finance Officers Association recognizing Finance Director Don Nelson and his staff and awarding them a Distinguished Budget Presentation Award. This is the second year that the Town has received this award.

K. Police Department Verbal Update – David Allen, Chief of Police

Chief Allen gave an update on police activities.

2. Quasi-Judicial Hearings (None)

Mayor Dietch said for the record, there was a quasi-judicial hearing regarding 90th Street and Abbott. There are two blank walls and they will be cutting in windows and putting in landscaping.

3. Consent Agenda

Commissioner Karukin pulled Item 7 from the Town Manager's Report. Commissioner Karukin made a motion to approve the consent agenda minus the pulled item. The motion received a second from Commissioner Gielchinsky and the motion carried 4-0 with Commissioner Paul absent.

A. Minutes – Sandra Novoa, MMC, Town Clerk

May 9, 2017 Regular Town Commission Meeting Minutes

***B. Town Manager's Report** – Guillermo Olmedillo, Town Manager

1. See Click Fix
2. Public Information Policy and Plan
3. Development Application Status
4. Building Department
5. Code Compliance
6. Finance
7. Information Technology
8. Police Department

***C. Town Attorney's Report** – Linda Miller, Town Attorney

D. Committee Reports – Guillermo Olmedillo, Town Manager

- April 27, 2017 Sustainability Subcommittee Meeting Minutes

- April 27, 2017 Planning and Zoning Board Meeting Minutes

Pulled Item 7 from the consent agenda– Commissioner Karukin requests that the ERP Project be added to the Manager's Report.

Mayor Dietch said there was a Scribner error in the minutes which said Vice Mayor Paul and should be Commissioner Paul.

Commissioner Karukin made a motion to accept the pulled item. The motion received a second from Commissioner Gielchinsky and the motion passed 4-0 with Commissioner Paul absent.

Mayor Dietch took the opportunity to thank Town Attorney Miller for her service to the community.

E. Mutual Aid Agreement between the City of North Miami Police and the Town of Surfside Police – Guillermo Olmedillo, Town Manager

A RESOLUTION OF THE TOWN OF SURFSIDE, FLORIDA ACKNOWLEDGING THE MUTUAL AID AGREEMENT BETWEEN THE CITY OF NORTH MIAMI POLICE DEPARTMENT AND THE TOWN OF SURFSIDE POLICE DEPARTMENT; AUTHORIZING THE TOWN MANAGER AND CHIEF OF POLICE TO EXECUTE AND IMPLEMENT THE TERMS AND CONDITIONS OF THE MUTUAL AID AGREEMENT; PROVIDING FOR AUTHORIZATION AND APPROVAL; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

Approved on consent.

F. Nurse Enhancement Initiative – Guillermo Olmedillo, Town Manager

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA AUTHORIZING THE MAYOR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF MIAMI BEACH, NORTH BAY VILLAGE, THE TOWN OF BAY HARBOR ISLANDS, THE VILLAGE OF BAL HARBOUR AND THE MIAMI BEACH CHAMBER EDUCATION FOUNDATION TO IMPLEMENT THE NURSE ENHANCEMENT INITIATIVE FOR SCHOOL YEAR 2017/2018; PROVIDING FOR AUTHORIZATION; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

Approved on consent.

G. Interlocal Agreement for NPDES Co-Permit No. FLS000003 - Guillermo Olmedillo, Town Manager

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA APPROVING THE RENEWAL OF THE INTERLOCAL AGREEMENT BETWEEN CO-PERMITTEES NAMED IN NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT NO. FLS000003 AND MIAMI-DADE COUNTY; AND ALSO BETWEEN ALL CO-PERMITTEES; PROVIDING FOR IDENTIFICATION AND CONTROL OF POLLUTANT DISCHARGES IN SHARED MUNICIPAL SEPARATE

STORM SEWER SYSTEMS; PROVIDING FOR APPROVAL AND AUTHORIZATION; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

Approved on consent.

H. Certificate and Coin Request for Jake Rubin – Mayor Daniel Dietch

Approved on consent.

4. Ordinances

A. Second Reading Ordinances

1. Amended Beach Furniture Ordinance – Guillermo Olmedillo, Town Manager

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA AMENDING CHAPTER 86 “WATERWAYS”; ARTICLE II, “PUBLIC BEACHES”, SPECIFICALLY AMENDING SECTION 86-26 “DEFINITIONS”; SPECIFICALLY AMENDING SECTION 86-31 “BEACH FURNITURE PERMIT REQUIREMENTS”; SPECIFICALLY AMENDING SECTION 86-33 “VIOLATIONS, CIVIL FINES AND PENALTIES”; PROVIDING FOR INCLUSION IN THE CODE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

Clerk Sandra Novoa read the title of the ordinance. Town Town Manager Olmedillo gave a visual presentation.

Commissioner Paul made a motion to discuss. The motion received a second from Commissioner Karukin.

Mayor Dietch read the regulations for public speakers and then opened the public hearing.

The following public speakers addressed the Commission on the item giving their views.

-Jeffery Platt

-Marianne Meischied

-Deborah Cimadevilla

-Manty Sabates Morse

-Luciadia Bololla

-Mario Luski (stated his name and address and had an interpreter give his statement)

-Elizabeth Maiche

-Joel Simmonds

-Elizabeth Cimadevilla

-Yuri Fridman

-Silvia Coltrane
-April Pullo
-Maria Diaz
-Arthur Holman
-Robert Davison
-Neison Kasdin
-George Kousoulas

No one else wishing to speak the Mayor closed the public hearing.

Commissioner Paul had a correction as some condo regulation language was omitted and she presented a paragraph with new wording to be part of the ordinance. Commissioner Gielchinsky gave background information on littoral rights of beachfront condo ownership. The Commission responded to public comments and gave their views on the item including pre-set chairs and who would require permits.

Regarding setups, Mayor Dietch would like to give the right to the Town Manager to approve what the beach furniture looks like (color and style). There was discussion to revise the definition of Beach Furniture Operator to include condos.

Commissioner Paul left the meeting at 10:31 p.m.

The Mayor read into the record the revisions to the ordinance discussed by the Town Commission. Town Clerk Sandra Novoa read the six changes to be made.

The Mayor opened the public hearing and no one wishing to speak the Mayor closed the public hearing.

Commissioner Gielchinsky made a motion to approve with changes read back by the Town Clerk. The motion received a second from Commissioner Karukin. The motion passed 3-1 with Vice Mayor Cohen voting in opposition and Commissioner Paul absent.

First Reading Ordinances

5. Resolutions and Proclamations

A. Regional Hybrid Skatepark and Pumptrack Initiative – Guillermo Olmedillo, Town Manager

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA AUTHORIZING THE TOWN MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (“MOU”) WITH THE CITY OF SUNNY ISLES BEACH TO SUPPORT A REGIONAL HYBRID SKATEPARK AND PUMPTRACK INITIATIVE IN

HAULOVER PARK, MIAMI-DADE COUNTY WITH COORDINATION FROM MIAMI-DADE COUNTY, THE CITY OF SUNNY ISLES BEACH, CITY OF MIAMI BEACH, BAL HARBOUR VILLAGE AND THE TOWN OF BAY HARBOR ISLANDS; AMENDING THE FISCAL YEAR 2016-2017 ANNUAL BUDGET AUTHORIZING THE APPROPRIATION OF UP TO \$50,000 FROM THE CAPITAL IMPROVEMENT FUND, SKATEPARK CONTRIBUTION, ACCOUNT NO. 301-4400-572-8110 TO THE CITY OF SUNNY ISLES BEACH TO BE DISBURSED UPON EXECUTION OF THE MOU; PROVIDING FOR APPROVAL AND AUTHORIZATION; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

Town Clerk Sandra Novoa read the title of the resolution.

Commissioner Gielchinsky made a motion to approve. The motion received a second from Commissioner Karukin and all voted in favor.

B. Approval to proceed with A & B Pipe for the purchase of checkmate valves for water outfalls – Guillermo Olmedillo, Town Manager

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AMENDING THE FISCAL YEAR 2016-2017 ANNUAL BUDGET; APPROPRIATING FUNDS NOT TO EXCEED THE AMOUNT OF \$45,280.00 FROM THE STORM WATER FUND RESERVES ACCOUNT NO. 404-0000-391-1000 TO THE EQUIPMENT MAINTENANCE ACCOUNT NO. 404-5500-538-4603; AUTHORIZATION TO WAIVE COMPETITIVE BIDDING; AUTHORIZATION OF THE EXPENDITURE OF FUNDS FOR THE PURCHASE OF TIDEFLEX CHECKMATE VALVES FROM A&B PIPE & SUPPLY; PROVIDING FOR APPROVAL AND AUTHORIZATION; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

Town Clerk Sandra Novoa read the title of the resolution.

Commissioner Karukin made a motion to approve. The motion received a second from Commissioner Gielchinsky and the motion passed 4-0 with Commissioner Paul absent.

6. Good and Welfare

Mayor Dietch opened the public speaking.

Public Speakers

- The Mayor called Dr. Marvin Shuster, however he had already left the meeting.
- George Kousoulas spoke in favor of Town Attorney Miller and Assistant Town Attorney Jane Graham and thanked them for their service.
- Ruben Valdivia spoke about a courtesy notice received from Code Compliance regarding his synthetic grass.
- Mandyf Davenport spoke about gating and sidewalks.
- Jeffery Platt spoke on police issues.
- Charles Ness spoke on shrubbery issues and also supports gating.

- Victor May spoke on several issues including the red-light cameras.
No one else wishing to speak the Mayor closed Good and Welfare.

The Commission addressed some of the comments by the public and regarding the red-light cameras (which are being removed). Mayor Dietch said the town never spent more money than what was taken in.

7. Town Manager and Town Attorney Reports

Town Manager and Town Attorney Reports have been moved to the Consent Agenda – Item 3.

8. Unfinished Business and New Business

9. Mayor, Commission and Staff Communications

A. Policy for Funding for Non-For-Profit Organization – Guillermo Olmedillo, Town Manager

Town Manager Olmedillo presented the item and Commissioner Karukin had some issues with the policy. Some changes were suggested and approved by consensus.

B. Sustainability Incentives – Guillermo Olmedillo, Town Manager

Town Manager Olmedillo presented the item. The Commission discussed the item and Building Official Ross Prieto answered questions from the Commission.

Vice Mayor Cohen made a motion to approve with staff recommendations. The motion received a second from Commissioner Gielchinsky and the motion passed 4-0 with Commissioner Paul absent.

Commissioner Karukin made a motion to extend the meeting an additional 30 minutes. The motion received a second from Commissioner Gielchinsky and the motion passed 4-0 with Commissioner Paul absent.

C. Agenda Deadline Dates – Guillermo Olmedillo, Town Manager *{Linked to Item 9F}* Town Manager Olmedillo presented the item and issues that may occur during the month of August. After some discussion the consensus was to discuss the item during the July 11, 2017 meeting.

D. Walkability and Pedestrian Improvements Trial - Guillermo Olmedillo, Town Manager

Town Manager Olmedillo requested he meet with neighbors of 89th and 90th Street and come back to the Commission with the results of the meeting. The Manager's meeting would be open to the general public.

Public Speaker Deborah Cimadevilla asked how the meeting will be advertised and Town Manager Olmedillo said it would be posted on the town website. The Mayor suggested e-blast and the Gazette, as well as all regular channels that

announce a meeting. Public Speaker Victor May said it was a great idea and had some suggestions.

- E. Miami Gardens Site** – Guillermo Olmedillo, Town Manager
Town Manager Olmedillo presented the item. Neisen Kasdin representing the developer, gave background information and presented what the developer wishes. The Commission discussed the item.

Commissioner Gielchinsky made a motion to defer the item to the July 2017 meeting. The motion received a second from Vice Mayor Cohen and the motion passed 4-0 with Commissioner Paul absent.

- F. August Town Commission Meeting Discussion {Verbal}** - Guillermo Olmedillo, Town Manager *{Linked to Item 9C}*
Discussion occurred under item 9C.

10. Adjournment

Respectfully submitted,

Accepted this ____ day of _____, 2017

Daniel Dietch, Mayor

Attest:

Sandra Novoa, MMC
Town Clerk



**Town of Surfside
Budget Workshop Meeting
MINUTES
June 15, 2017
5:00 p.m.**

Town Hall Commission Chambers - 9293 Harding Ave, 2nd Floor
Surfside, FL 33154

1. Opening

A. Call to Order

Mayor Dietch called the meeting to order at 5:00 p.m.

B. Roll Call of Members

Deputy Clerk Elora Riera called the roll with the following members present: Mayor Daniel Dietch, Commissioner Tina Paul and Commissioner Michael Karukin with Vice Mayor Barry Cohen and Commissioner Daniel Gielchinsky absent.

C. Pledge of Allegiance

Police Chief Allen led the Pledge of Allegiance.

2. Discussion and Input of Upcoming FY 17-18 Budget – Guillermo Olmedillo, Town Manager

Town Manager Olmedillo provided an overview of what will be discussed tonight which will include modifications for capital, equipment and fundamentally what is needed for staff support.

Commissioner Gielchinsky and Vice Mayor Cohen arrived at this time.

Finance Director Donald Nelson explained the schedule of budget meetings and provided information to the Town Commission regarding the proposed millage rate and modifications to the budget for FY 17-18.

Discussion ensued amongst the Town Commission regarding any comments or concerns they had with the proposed budget.

Mayor Dietch requested to see the five-year financial forecast at the next budget meeting.

3. Adjournment

The meeting adjourned at 5:58 p.m.

Respectfully submitted,

Accepted this _____ day of _____, 2017

Daniel Dietch, Mayor

Attest:

Sandra Novoa, MMC
Town Clerk



**Town of Surfside
Special Commission Meeting
MINUTES
June 15, 2017
6:00 p.m.**

Town Hall Commission Chambers - 9293 Harding Ave, 2nd Floor
Surfside, FL 33154

1. Opening

A. Call to Order

Mayor Dietch called the meeting to order at 6:15 p.m.

B. Roll Call of Members

Deputy Clerk Elora Riera called the roll with the following members present: Mayor Daniel Dietch, Commissioner Tina Paul, Commissioner Michael Karukin and Commissioner Daniel Gielchinsky with Vice Mayor Barry Cohen absent.

C. Pledge of Allegiance

Human Resources Director Yamileth Slate-McCloud led the Pledge of Allegiance.

Vice Mayor Cohen arrived at this time.

2. Town Attorney Selection Process Discussion – Guillermo Olmedillo, Town Manager
Town Manager Olmedillo provided an overview of the selection process that was decided by the Town Commission.

Commissioner Karukin commented that since there were only three interested firms, he felt that the Town Commission should invite the firms to submit their quotes as soon as possible so the Town Commission can make a better educated decision.

After some discussion, Commissioner Gielchinsky made a motion to provide a quote for the following scope of services:

- Firms to submit a flat rate proposal for all services, excludes labor and litigation.
- Not less than 3 days a week, full day (9-5pm) a mid-level associate in our offices.
- The lead attorney (partner) to attend all Commission meetings, Planning and Zoning Board, Design Review Board (DRB) and Sustainability Sub Committee of the Planning and Zoning Board.
- Not less than an associate level attorney to attend all Tourist Board meetings.
- The Associate who manages the office should attend the Development Impact Committee (DIC) meetings.
- Be specific if the fee to prepare Resolutions/Ordinances is included in the flat fee or if it's separate (Re: to our Code section 90-11 & 12).

The proposals are to be submitted to the Town Manager by 5pm, Wednesday June 21, 2017. The proposals to be delivered to Town Commission by 9 am Thursday, June 22, 2017. The motion received a second from Commission Karukin and all voted in favor.

3. Adjournment

The meeting adjourned at 5:58 p.m.

Respectfully submitted,

Accepted this ____ day of _____, 2017

Daniel Dietch, Mayor

Attest:

Sandra Novoa, MMC
Town Clerk



**Town of Surfside
Special Commission Meeting
MINUTES
June 22, 2017
6:00 p.m.**

Town Hall Commission Chambers - 9293 Harding Ave, 2nd Floor
Surfside, FL 33154

1. Opening

A. Call to Order

Mayor Dietch called the meeting to order at 6:04 p.m.

B. Roll Call of Members

Town Clerk Sandra Novoa called the roll with the following members present: Mayor Daniel Dietch, Vice Mayor Barry Cohen, Commissioner Tina Paul, and Commissioner Michael Karukin. Commissioner Gielchinsky was absent.

C. Pledge of Allegiance

Police Lieutenant John Bambis led the Pledge of Allegiance.

Commissioner Gielchinsky arrived at 6:08pm.

2. Town Attorney Selection Process Discussion – Guillermo Olmedillo, Town Manager
Mayor Dietch opened the meeting and asked each of the firms to provide an opening statement.

Firms Genovese Joblove & Battista, GreenspoonMarder and Weiss Serota Helfman Cole & Bierman provided their opening statements and answered questions posted by the Town Commission.

After an extensive discussion amongst the Town Commission the consensus was to have Commissioner Gielchinsky and the Town Manager negotiate with the three firms further and by 8:00 pm on Monday, June 26, 2017 all firms must submit their final proposal to the Town Manager.

3. Adjournment

The meeting adjourned at 9:11 p.m.

Respectfully submitted,

Accepted this ____ day of _____, 2017

Daniel Dietch, Mayor

Attest:

Sandra Novoa, MMC
Town Clerk



Town of Surfside
Special Commission Meeting
MINUTES
June 27, 2017
6:00 p.m.

Town Hall Commission Chambers - 9293 Harding Ave, 2nd Floor
Surfside, FL 33154

1. Opening

A. Call to Order

Mayor Dietch called the meeting to order at 6:07 p.m.

B. Roll Call of Members

Recording Clerk Frantza Duval called the roll with the following members present: Mayor Daniel Dietch, Vice Mayor Barry Cohen, Commissioner Gielchinsky, Commissioner Tina Paul, and Commissioner Michael Karukin.

C. Pledge of Allegiance

Police Chief David Allen led the Pledge of Allegiance.

2. Town Attorney Selection Process Discussion – Guillermo Olmedillo, Town Manager
Mayor Dietch opened the meeting and asked the Manager and/or Commissioner Gielchinsky to speak about their meetings with the firms and the different engagement letters that were provided.

Town Manager Olmedillo presented the item to the Town Commission and spoke about the engagement letters provided by the three firms.

A clarification was made regarding the yearly annual renewal increase on Weiss Serota Helfman Cole & Bierman's engagement letter to specify the words "up to 3% annually". Representing Weiss Serota Helfman Cole & Bierman, Lilliam Arango clarified that the intent was to include the words "up to 3% annually" and while typing the agreement she failed to include it.

After some discussion amongst the Town Commission, Commissioner Karukin made a motion to select Weiss Serota Helfman Cole & Bierman. The motion received a second from Commissioner Paul and the motion carried 4-1 with Commissioner Gielchinsky voting in opposition.

3. Adjournment

The meeting adjourned at 6:33 p.m.

Respectfully submitted,

Accepted this ____ day of _____, 2017

Daniel Dietch, Mayor

Attest:

Sandra Novoa, MMC
Town Clerk



TOWN MANAGER'S REPORT JULY 2017

COMMUNITY PROGRAMS / INITIATIVES / ENHANCEMENTS

1. **See Click Fix** -- Report attached.

2. **Interlocal Shuttle Update:** On June 12, 2017 the Bay Harbor Islands Council voted to join Surfside and Bal Harbour Village in moving the Surf-Bal-Bay Interlocal Shuttle initiative forward. Since that date, staff met with representatives of FIU's Lehman Center for Transportation Research as well as this initiative's primary representatives from the other two municipalities. An interlocal MOU is earmarked for the September 2017 meeting of the three municipalities with the view of retaining FIU that month to begin the proposed objectives.

3. **Development Application Status**

A. 9116 Harding – A site plan application for a 4 unit townhouse development has been received. A Development Review meeting was held November 2, 2016. Comments were provided and corrections were required. The plans were resubmitted and the second Development Review Group (DRG) was held on February 7, 2017 and a third DRG was held on May 18, 2017. The DIC meeting was held on June 1, 2017. The Planning and Zoning Board is tentatively scheduled for July 27, 2017.

B. Surf Club Northwest Building – A site plan amendment was submitted on February 9, 2017. The DRG meeting was held on March 9. Revisions were required and were received on April 24, 2017. A DRG meeting was held on May 11, 2017. The DIC meeting was held on June 1, 2017. The Planning and Zoning Board meeting is tentatively scheduled for July 27, 2017.

C. 8995 Collins – A site plan was submitted on May 19, 2017. A DRG meeting was held on June 19, 2017. The applicant must resubmit the revised drawings and a second DRG meeting will be scheduled.

MISCELLANEOUS

4. Florida League of Cities Conference: Commissioner Karukin, as designee to the Miami-Dade League of Cities, will be attending the Florida League of Cities' 91st Conference as a Voting Delegate August 17-19, 2017.

TOWN DEPARTMENTS

5. **Code Compliance**

A. Code Violation Cases: As of June 26, 2017, the total number of active, open cases being managed is 132; of these cases, 72 cases are still under investigation and are working towards compliance, 2 cases are on-hold, 18 are in the Special Master hearing queue; 6 cases are in post-Special Magistrate action status, and 34 cases have been liened and remain unpaid. Properties with unpaid liens are sent reminder letters on a quarterly basis.

B. Collected Civil Penalty Fines: Unresolved code compliance cases accrue fines until the code violation is resolved. After the violation is abated, then the property owners are notified to remit the fine amount due. In many cases, the fine amount is either paid, resolved via a settlement agreement, or referred to the Town's Special Master for a hearing and ruling on the fine amount due. The following is a summary by fiscal year of the fine amounts collected:

FY 16/17: 98 cases have paid/settled through June 26, 2017 for a total collection of \$34,351

FY 15/16: 152 cases paid/settled for a total of \$137,282

C. Part-Time Code Compliance Officer: The position has been filled pending completion of background investigation and other pre-employment screening. Expected start date is mid-July; the Officer will work weekends and holidays.

6. Finance

A. Budget to Actual Monthly Report – Report attached

B. Enterprise Resource Planning (ERP): The Town received two ERP proposals from Tyler Technologies, Inc. and Accela/Springbrook to replace the current SunGard computer software applications to a new central platform system to be used by all Town departments. Both proposals have been carefully reviewed with on-site presentations of their applications, off-site visits to other municipalities that use these ERP applications. Telephone calls were placed to distant cities that were not visited but were interviewed on their recommendations regarding the two ERP vendors and their ERP solutions. The Town is moving forward with Tyler Technologies, Inc. as the ERP provider by having the software as a Service Agreement reviewed by an outside attorney. The attorney's review of the agreement is almost complete in order to move forward with a recommendation to the Town Commission.

7. Information Technology

- IT placed an order in June for ASI/SDI Digital box for the Meeting Broadcast System (Channel 93). The equipment will be installed in July.
- IT is working with Finance to complete a cost benefit analysis for the upgrade of the internet bandwidth for FY17/18. The increase would be from 50MBs to 100MBs MetroE. The analysis is projected to be completed by AT&T in July.
- IT is working with the Video System Controller and Server subcontractor, LexisNexus HD to obtain quotes for replacement of the system. The first quote obtained from AVI came in at \$12,440. IT will work with the Finance Director on the next steps for approval and replacement.
- IT installed Ethernet cables in five different locations in the Town Hall building to provide Wi-Fi to Town employees and for public meetings. Equipment to be ordered in July.
- IT is working with the vendor to upgrade the SCALA and renew the maintenance contract in July.
- IT is working with USA Software to add email alerts to the eReport Software for the Police Department, and is are working with the software provider to obtain a schedule for this software upgrade.

8. Police Department

A. June 2017 Significant Incidents/Arrests

- Aggravated Battery on Person 65 or Older/DV/Criminal Mischief Arrest– 06/04/2017: 1400 block of Biscaya Drive. The subject was arrested.
- DWLS W/Knowledge/Fleeing Arrest- 06/08/2017: 300 block of 95th Street. The subject was arrested.
- Narcotics (Possession w/ intent to distribute) Arrest - 06/17/2017: 9700 block of Collins Avenue. The subject was arrested after a traffic stop.
- Occupied Residential Burglary Arrest - 06/18/2017: 9000 block of Collins Avenue. The subject was arrested.
- Unoccupied Burglary Attempt/Drug Arrest - 05/18/2017: 9000 Block of Abbott Avenue. Two subjects were arrested.

B. Traffic Mitigation Update:

#	Initiatives	Update(s)
	Short Term (0 – 6 months)	
1	95 th Street & Harding Avenue (westbound) Left turn lane added	On 04-27-2017, the traffic lanes in the 200 block of 95 Street, between Collins Avenue and Harding Avenue were modified to improve the traffic flow. New lane pavement markers delineate the new vehicular traffic flow for westbound traffic on 95 Street approaching Harding Avenue. The pavement markings allow vehicles to travel in two lanes west of the alleyway with one lane designated for travel westbound only on 95 th Street across Harding Avenue, and the other lane designated as a left turn only lane for vehicles turning southbound onto Harding Avenue. Three parking spaces on the North East side of 95 th Street & Harding Avenue have been eliminated to allow for a westbound travel lane.
2	New Stop Signs at all intersections west of Harding Avenue	Public Works installed stop signs at the following locations: <ul style="list-style-type: none"> • 89th Street & Byron Avenue (east-west) • 90th Street & Abbott Avenue (east-west) • 90th Street & Carlyle Avenue (east-west)
3	New Stop Bar Reflectors	Completed
4	New Speed Bumps	New speed bumps have been installed at the following locations: <ul style="list-style-type: none"> • 8900 block of Abbott Avenue • 9100 block of Abbott Avenue • 9300 block of Abbott Avenue
5	Revisit Street Closure <ul style="list-style-type: none"> ○ 94th Street / Abbott Avenue 	Commission approved a motion against revisiting this item.
6	New Street Closure <ul style="list-style-type: none"> ○ Byron Avenue (northbound) at 88th Street 	Requires study, Miami-Dade County and Miami Beach approval. Pending meetings / agreements.
7	Loop Detector Installation	CGA was authorized to move forward with the preparation of the bid documents for the traffic loops at three signalized intersections along Harding Avenue. CGA will need to provide updated scope of services and fee in order to provide traffic counts and traffic analysis at subject intersections (before and after traffic analysis) per Commission request at 05/09/17 meeting.

		The east Stop Bar at 93 Street & Harding Avenue will be moved back.
8	Install a centerline curb on 95 th Street between Abbott and Byron Avenues	Public Works installed delineators to deter trucks from traveling west on 95 th Street.
9	Eliminate Crosswalks on Collins (north) & Harding (south) Avenues	FDOT stated that eliminating crosswalks would hinder pedestrian travel and further study would be required before they can agree to that recommendation.
10	Create Vehicular Circulation Plans for New Construction Projects <ul style="list-style-type: none"> o Minimize lane closures 	MOT's and circulation plans for new construction projects was a primary topic of discussion with FDOT and the surrounding jurisdictions representatives. A plan to improve the coordination of projects and to enhance communication by FDOT providing notice well in advance of all approved MOT's to the three jurisdictions was agreed upon. The early notice system has shown an improvement.
11	Evaluate Sidewalk Options	Commission approved a motion to continue to evaluate pedestrian safety options in Surfside.
12	Install traffic light at 96 th Street & Abbott Avenue Eliminate left hand turn at 96 th Street & Byron Avenue	Town Manager Olmedillo, Chief Allen, Captain Yero and Randy Stokes, from the Town and Eric Czerniejewski, CGA, met with Ramon Sierra, FDOT District 6. Several simulations were run, and the result is that the back-up traffic in the east bound direction made congestion worse on 96 th Street. This will not allow the vehicles turning right from Byron to move, causing a longer back-up on Byron and creating additional congestion on Harding and Collins.
13	Install a crosswalk at 90 th Street & Harding Avenue (north side)	FDOT agreed to reconsider installing a traffic signal at the location, pending study (count). The Town installed traffic delineators designed to allow a left turn only onto Harding Avenue, preventing vehicles from traveling westbound across the intersection.
14	Send demand letters to mapping companies	Completed
	Intermediate Term (7 – 18 months)	
15	Create One-Way Streets <ul style="list-style-type: none"> o 88th, 89th, 90th and 91st Street between Collins & Harding Avenues 	Requires Miami Dade approval.
16	Design 91 st Street Improvements <ul style="list-style-type: none"> o Sidewalk, landscaping and buried utilities 	Pending design and engineering cost estimates.
	Long Term (19+ months)	
17	Gate the area west of Harding Avenue and create a special taxing district	This item is back in the Commission discussion stage.

#	Parking	Update
1	The Town of Surfside added 18 new single parking spaces and 2	The additional parking spaces are located in the following locations: 100 block of 88 th Street (4 spaces) effective 06-01-2017

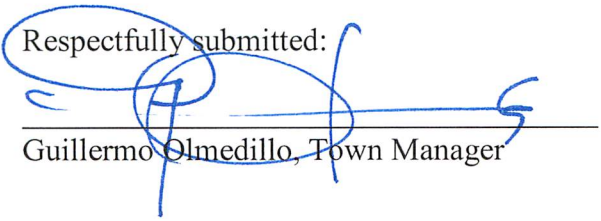
<p>loading zones in the streets that are east of Collins Avenue. These new parking spaces provide additional parking options for residents and visitors to Surfside. The additional loading zones provide a safe location for trucks and other vehicles to deliver goods and services to residents.</p>	<p>100 block of 90th Street (4 spaces) effective upon completion of on-going construction project 100 block of 92nd Street (4 spaces) effective 06-01-2017 100 block of 96th Street (6 spaces) effective 06-01-2017</p> <p>The additional loading zones are located in the following locations:</p> <p>100 block of 89th Street - effective 06-01-2017 100 block of 94th Street - effective 06-01-2017</p>
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C. Fourth of July: On July 4th, the Town of Surfside Parks and Recreation Department will host their Annual 4th of July Holiday Celebration featuring live music, activities including arts and crafts, swim races, etc. The event concludes with a beachside fireworks exhibition at 9:00 p.m. This event draws hundreds of families and visitors. Additional police officers have been assigned from 2:00 p.m. to 10:00 p.m. to ensure safety and security at the Community Center, on the beach, during the fireworks set-up and display, for beach escorts for trucks carrying equipment to the Community Center and on Collins Avenue to assist with pedestrian crossing.

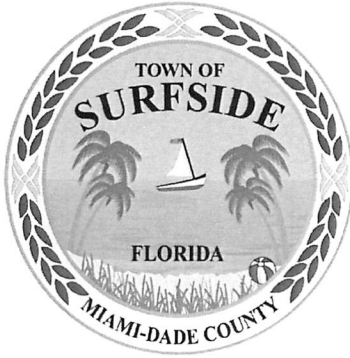
D. Police Events

- The Police Teen Summer Program in conjunction with the Parks and Recreation Teen Camp will have presentations from Crime Scene Investigation, Miami-Dade Fire Rescue Venom Unit and visits to the Coast Guard Air Base, U.S. Customs and Border Protection, and Miami-Dade Fire Rescue Department Ocean Rescue in Haulover.
- The Florida Police Chiefs Association is hosting the 65th Annual Summer Training Conference & Exposition July 8– 12, 2017. The conference will be held at the Trump National Doral.
- Chief Charles Press from Key Biscayne Police Department, the Key Biscayne Community Foundation and the Miami Children's Initiative are hosting their 5th Annual Christmas in July event at Key Biscayne Beach Club on July 15. CSA Juan Duran will represent the Surfside Police Department.
- Coffee with the Cops is July 25 at Starbucks at 10:00 a.m.
- The monthly Bike with the Chief is July 26 at Town Hall at 5:00 p.m.

Respectfully submitted:



Guillermo Olmedillo, Town Manager



Town of Surfside, FL

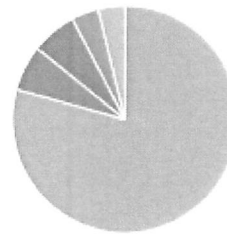
Between Feb 01, 2014 and Jun 26, 2017

657 issues were opened

646 issues were closed

The average time to close was 28.1 days.

Issues by Source



iphone	- 504
web	- 47
android	- 41
widgets	- 31
mobile web	- 30
city initiated	- 4
facebook	- 0

SERVICE REQUEST TYPE	OPENED	CLOSED	DAYS TO CLOSE
Other	166	165	20.0
Beach Issue	101	96	12.1
Parking Issue	70	68	2.6
Police (Safety Concern)	70	70	8.9
Code Compliance (Violation)	53	51	54.4
Street lights (PW)	36	36	178.7
Code Compliance (Safety Concern)	32	32	64.9
Utilities (Water/Sewer) (PW)	20	20	10.4
Construction Issues	17	16	10.5
Dog Stations (P & R)	13	13	5.3
Drainage/Flooding (PW)	13	13	22.6
Barking Dog	12	12	20.0
Solid Waste (Residential) (PW)	12	12	20.0
Surfside Dog Park (P & R)	8	8	1.1
96 Street Park (P & R)	8	8	4.0

Community Center (P & R)	6	6	0.1
Pothole (PW)	5	5	31.7
Hawthorne Tot-Lot (P & R)	4	4	5.2
Beach Patrol	3	3	0.7
Dead Animal	3	3	21.0
Graffiti (PW)	3	3	25.2
Solid Waste (Commercial) (PW)	2	2	0.1
Graffiti (in park) (P & R)	0	0	0.0
Veterans Park (P & R)	0	0	0.0



Town of Surfside, FL

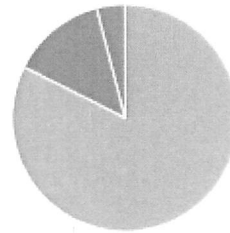
Between Jun 01, 2017 and Jun 26, 2017

21 issues were opened

14 issues were closed

The average time to close was 2.8 days.

Issues by Source



- iphone - 17
- android - 3
- web - 1
- city initiated - 0
- widgets - 0
- facebook - 0
- mobile web - 0

SERVICE REQUEST TYPE	OPENED	CLOSED	DAYS TO CLOSE
Beach Issue	6	3	3.1
Parking Issue	5	3	0.2
Other	3	3	2.0
Community Center (P & R)	2	2	0.2
Utilities (Water/Sewer) (PW)	1	2	4.6
Code Compliance (Violation)	2	0	0.0
Drainage/Flooding (PW)	1	1	13.0
Construction Issues	1	0	0.0
96 Street Park (P & R)	0	0	0.0
Barking Dog	0	0	0.0
Beach Patrol	0	0	0.0
Code Compliance (Safety Concern)	0	0	0.0
Dead Animal	0	0	0.0
Dog Stations (P & R)	0	0	0.0
Graffiti (in park) (P & R)	0	0	0.0
Graffiti (PW)	0	0	0.0

Hawthorne Tot-Lot (P & R)	0	0	0.0
Police (Safety Concern)	0	0	0.0
Pothole (PW)	0	0	0.0
Solid Waste (Commercial) (PW)	0	0	0.0
Solid Waste (Residential) (PW)	0	0	0.0
Street lights (PW)	0	0	0.0
Surfside Dog Park (P & R)	0	0	0.0
Veterans Park (P & R)	0	0	0.0

TOWN OF SURFSIDE, FLORIDA
MONTHLY BUDGET TO ACTUAL SUMMARY
FISCAL YEAR 2016/2017

AS OF

April 30, 2017

59% OF YEAR EXPIRED (BENCHMARK)

Agenda Item #

Page

1 of 3

Agenda Date: July 11, 2017

	ACTUAL	ANNUAL BUDGETED	% BUDGET
GOVERNMENTAL FUNDS			
<i>GENERAL FUND</i>			
REVENUE	\$10,655,260	\$13,531,474	79%
EXPENDITURES	7,384,698	\$13,531,474	55%
Net Change in Fund Balance	3,270,562		
Fund Balance-September 30, 2016 (Unaudited)	7,368,408 ^A		
Fund Balance-April 30, 2017 (Reserves)	<u>\$ 10,638,970</u>		
<i>TOURIST RESORT FUND</i>			
REVENUE	\$ 359,209 ^B	\$735,031	49%
EXPENDITURES	417,778	\$735,031	57%
Net Change in Fund Balance	(58,569)		
Fund Balance-September 30, 2016 (Unaudited)	363,407		
Fund Balance-April 30, 2017 (Reserves)	<u>\$ 304,838</u>		
<i>POLICE FORFEITURE FUND</i>			
REVENUE	\$ 1,401	\$50,592	3%
EXPENDITURES	27,896	\$50,592	55%
Net Change in Fund Balance	\$ (26,495)		
Fund Balance-September 30, 2016 (Unaudited)	141,755		
Fund Balance-April 30, 2017 (Reserves)	<u>\$ 115,260</u>		
<i>TRANSPORTATION SURTAX FUND</i>			
REVENUE	\$ 126,742	\$294,799	43%
EXPENDITURES	104,821	\$294,799	36%
Net Change in Fund Balance	21,921		
Fund Balance-September 30, 2016 (Unaudited)	354,264		
Fund Balance-April 30, 2017 (Reserves)	<u>\$ 376,185</u>		
<i>BUILDING FUND</i>			
REVENUE	\$ 1,628,396	\$1,927,983	84%
EXPENDITURES	489,794	\$1,927,983	25%
Net Change in Fund Balance	1,138,602		
Fund Balance-September 30, 2016 (Unaudited)	0		
Fund Balance-April 30, 2017 (Reserves)	<u>\$ 1,138,602</u>		
<i>CAPITAL PROJECTS FUND</i>			
REVENUE	\$ 221,207	\$973,818	23%
EXPENDITURES	761,389	\$973,818	78%
Net Change in Fund Balance	(540,182)		
Fund Balance-September 30, 2016 (Unaudited)	1,154,352		
Fund Balance-April 30, 2017 (Reserves)	<u>\$ 614,170</u>		

NOTES:

* Many revenues for April 2017 are received in subsequent months (timing difference) and are recorded on a cash basis in the month received.

A. Includes \$2,000,000 available for hurricane/emergencies. Includes \$198,405 of Prepaid Expenses. The balance of \$5,170,003 is unassigned fund balance (reserves).

B. Resort Tax Revenues total collected through April 2017 is \$1,031,372 (\$359,209 is the Tourist Resort Fund and \$672,163 is the General Fund).

ENTERPRISE FUNDS

ACTUAL

ANNUAL BUDGETED	% BUDGET
----------------------------	---------------------

WATER & SEWER FUND

REVENUE	\$ 1,924,909	\$3,359,624	57%
EXPENDITURES	1,470,614	\$3,359,624	44%
Change in Net Position	454,295		
Unrestricted Net Position-September 30, 2016 (Unaudited)	(2,827,890)		
Restricted Net Position	1,765,319 C1		
Unrestricted Net Position-April 30, 2017 (Reserves)	<u>\$ (608,276) C2</u>		

MUNICIPAL PARKING FUND

REVENUE	\$ 602,083	\$1,706,356	35%
EXPENDITURES	896,867	\$1,706,356	53%
Change in Net Position	(294,784)		
Unrestricted Net Position-September 30, 2016 (Unaudited)	1,111,941		
Unrestricted Net Position-April 30, 2017 (Reserves)	<u>\$ 817,157</u>		

SOLID WASTE FUND

REVENUE	\$ 1,132,414	\$1,786,275	63%
EXPENDITURES	1,050,114	\$1,786,275	59%
Change in Net Position	82,300		
Unrestricted Net Position-September 30, 2016 (Unaudited)	245,941		
Unrestricted Net Position-April 30, 2017 (Reserves)	<u>\$ 328,241</u>		

STORMWATER FUND

REVENUE	\$ 309,268	\$684,143	45%
EXPENDITURES	191,978	\$684,143	28%
Change in Net Position	117,290		
Unrestricted Net Position-September 30, 2016 (Unaudited)	3,392,370		
Restricted Net Position	347,140 C3		
Unrestricted Net Position-April 30, 2017 (Reserves)	<u>\$ 3,856,800</u>		

NOTES:(con't)

C1. The Restricted Net Position of \$1,765,319 includes \$1,522,319 for renewal and replacement, and \$243,000 for State Revolving Loan reserves.

C2. The reserves balance of (\$608,276) is the result of a change in current net position as of April 2017 of \$454,295 net position as of September 30, 2016 of (\$2,827,890) includes Restricted Net Position of \$1,765,319.

C3. The Restricted Net Position of \$347,140 includes \$266,140 for renewal and replacement, \$81,000 for State Revolving Loan reserves.



Donald G. Nelson, Finance Director




Guillermo Ornelas, Town Manager

Town of Surfside
Fund Balance (Reserves)
4/30/2017

FUND	9/30/2014	9/30/2015	9/30/2016	4/30/2017
General	\$ 6,366,391	\$ 5,905,726	\$ 7,368,408	\$ 10,638,970
Tourist Resort	180,297	339,396	363,407	304,838
Police Forfeiture	159,626	113,431	141,755	115,260
Transportation Surtax	396,740	440,662	354,264	376,185
Building	-	-	-	1,138,602
Capital Projects	849,445	182,903	1,154,352	614,170
Water & Sewer	(3,501,884)	(2,705,871)	(2,827,890)	(608,276)
Municipal Parking	1,000,355	1,089,165	1,111,941	817,157
Solid Waste	116,662	340,391	245,941	328,241
Stormwater	3,838,412	4,051,768	3,392,370	3,856,800
Total	\$ 9,406,044	\$ 9,757,571	\$ 11,304,548	\$ 17,581,947



TOWN OF SURFSIDE
Office of the Town Attorney
MUNICIPAL BUILDING
9293 HARDING AVENUE
SURFSIDE, FLORIDA 33154-3009
Telephone (305) 993-1065

TO: Town Commission
FROM: Linda Miller, Town Attorney 
CC: Guillermo Olmedillo, Town Manager
DATE: July 11, 2017
SUBJECT: Office of the Town Attorney Report for July, 2017

This Office attended/prepared and/or rendered advice for the following Public Meetings:

- June 15, 2017 – Budget Workshop
- June 15, 2017 – Town Commission Special Meeting
- June 19, 2017 – Parks and Recreation Committee Meeting
- June 22, 2017 – Town Commission Special Meeting
- June 27, 2017 – Town Commission Special Meeting
- June 29, 2017 – Design Review Board and Planning and Zoning Board Meeting
- July 11, 2017 – Town Commission Budget Meeting
- July 11, 2017 – Town Commission Special Meeting - Quasi-judicial hearing – Casa de Jesus –
Special Exception
- July 11, 2017 – Town Commission Special Meeting - Quasi-judicial hearing – Appeal of Town
Manager Administrative Decision re: parking spaces
- July 11, 2017 – Town Commission Meeting

Town Commission Resolutions:

- Quasi-judicial hearing – Casa de Jesus – Special Exception

- Quasi-judicial hearing – Appeal of Town Manager Administrative Decision re: parking spaces
- Proposed Operating Millage Rate
- Town Website Redesign
- Ballot question - Staggered Terms

June 29, 2017 – Design Review Board and Planning and Zoning Meeting:

Design Review Board Applications:

- A. 500 Surfside Blvd - fence and trellis
- B. 801 90th Street - pool and fence
- C. 1440 Biscaya Drive - fence with a swing gate at the driveway and a pedestrian gate
- D. 8811 Emerson Avenue - addition to the rear side of the house with a covered terrace
- E. 9300 Collins Avenue - balcony addition
- F. 9437 Harding Avenue - illuminated wall sign
- G. 9540 Byron Avenue - garage conversion
- H. 9585 Harding Avenue - one non-illuminated wall sign

Planning and Zoning Board:

Discussion Items:

- A. Verbal Update of Pedestrian Circulation Program
- B. Verbal Update of Sea Level Rise Initiatives
- C. Future Agenda Items

Police Department:

- Follow-up termination procedures for red light camera program

Building Department/Code Enforcement:

- Follow up with Code Enforcement for ongoing matters
- Analysis of Code for compliance with Certificate of Use and regulated uses

Florida Municipal Insurance Trust (“FMIT”) investigates claims and provides legal representation for the Town on the following claims/lawsuits:

1. Claimant, Barry Rosenblum alleges an unlawful detention on May 19, 2016. FMIT is investigating this claim.

2. Pieter Bakker v. Town of Surfside, a municipal corporation of the State of Florida and Young Israel of Bal Harbour, Inc. On May 30, 2012, Pieter Bakker filed a complaint in State Court against the Town which alleges counts against the Town including contract zoning, Charter violations, and a request for a writ of certiorari to quash Resolution 12-Z-2078 approving a Site Plan Application to permit Young Israel to build a synagogue on 9580 Abbott Avenue. On September 30, 2013, the Court ordered this matter to be transferred to the Appellate Division. Petitioner, Mr. Bakker filed a Third Amended Petition for Writ of Certiorari. The Town and Young Israel have filed a response to the Third Amended Petition for Writ of Certiorari. Oral Argument is scheduled for September 6, 2017.
3. Parker, et. al. v. American Traffic Solutions, et. al.: United States District Court for the Southern District of Florida Civil Action No. 1:14-CV-24010. This is a class action case brought by plaintiffs who have received red light traffic violations against vendors who contract with municipalities and counties for red-light camera services (American Traffic Solutions “ATS”, “Xerox State and Local Solutions “Xerox”, and Gatso) along with 69 municipalities and counties. The complaint alleges that the local government defendants have improperly outsourced to the vendors their legislatively granted authority to issue traffic citations and unlawfully delegated to the vendor defendants the authority to determine whether a traffic violation has occurred. The Town and other Defendants filed a Motion to Dismiss. The Court dismissed the federal claims, however, did not dismiss the claims for unjust enrichment, declaratory and injunctive relief. The Court stayed the case during the pendency of an appeal and heard oral argument on June 14, 2016. The Eleventh Circuit dismissed the appeal for lack of jurisdiction on August 31, 2016. Defendants filed a motion for rehearing and motion for rehearing en banc in the Eleventh Circuit which was denied on November 4, 2016. The case has been remanded to the United States District Court for the Southern District of Florida, where the parties filed a joint motion to stay further proceedings until related cases are concluded within Florida Courts. The Federal case remains under a stay. The Florida Supreme Court recently accepted Jimenez v. Aventura for review.
4. Henderson v. Police Officer Carrasquillo and Police Officer Fernandez. On May 12, 2015, a complaint was served stating that on December 11, 2010, Mr. Henderson was arrested for Battery on a Law Enforcement Officer, Disorderly Conduct and Resisting Arrest Without

Violence. The complaint alleges malicious prosecution against the Officers. Discovery is ongoing.

5. Sasha Elias, minor by and through her Guardian, Yanina Elias, as her Mother v. Miami-Dade County and Town of Surfside - On June 25, 2014, Plaintiff alleges while walking in the east alley behind 9577 Harding Avenue she fell through a broken storm grate and sustained severe lacerations to her right leg. Discovery is ongoing.

Special Matters: Continued monitoring of new case law and legislation from Federal, State and County.

J.P. Morgan Chase Bank v. Hasis, et al - 9372 Bay Drive – mortgage foreclosure action. Town has filed an Answer and Petition to Participate in Surplus due and owing on the Town's continuing liens.



Town of Surfside

TOURIST BOARD MINUTES

April 3, 2017 – 5:30 p.m.

Town Hall Commission Chambers
9293 Harding Ave, 2nd Floor, Surfside, FL 33154

A/B. Call to Order/Roll Call

The meeting was called to order by Chair Cohen at 5:34 p.m.

Present: Chair Barbara Cohen
Secretary Marianne Meischeid
Chase Berger

Absent: Vice Chair Jessica Weiss
Jennifer Zawid

Also present: Vice Mayor Barry Cohen, Commission Liaison
Guillermo Olmedillo, Town Manager
Duncan Tavares, Acting Asst. Town Manager
Melissa Richards, Marketing and Special Proj. Coordinator
Linda Miller, Town Attorney
Elora Riera, Deputy Town Clerk

C. Welcome new member Chase Berger

Chair Cohen thanked Terry Cohen for her service to the Tourist Board.

Board member Berger introduced himself to the Board and is excited to be of service to the Town.

Chair Cohen read into the record a letter to provide clarity to the discussion that was held at the March 14th Commission Meeting under Good and Welfare.

Secretary Meischeid commented that she still feels that the Board should be able to review the contract before it is signed.

1. A/R (Resort Tax)

Acting Asst. Town Manager Tavares commented that he received the resort tax reports today and has provided them to the Board on the dais.

Secretary Meischeid stated that she still feels strongly that the Board needs these reports before the day of the meeting. She previously met with the Finance Department and came up with suggestions and would like to know what the status is and if any of her suggestions have been integrated.

Acting Asst. Town Manager Tavares replied that he will express Secretary Meischeid's concerns to the Finance Department.

Board member Berger made a motion to add the approval of the minutes to the agenda. Secretary Meischeid seconded the motion which carried unanimously on voice vote.

Secretary Meischeid made a motion to approve the March 6, 2017 minutes as written. Board member Berger seconded the motion which carried unanimously on voice vote.

2. Event Organizers Roundtable

Acting Asst. Town Manager Tavares stated that this is an item that the Board has discussed for some time. He felt that it would be beneficial and helpful for the Board to hear from different companies to get an idea of what can be done moving forward for hosting more events.

The panel consisted of: Alan Andai, Kent Agüero, Arnel San Pedro and David Wilson. Each speaker provided brief information regarding their line of business.

Acting Asst. Town Manager Tavares explained the events that are held by the Parks and Recreation Board throughout the year which provides a wealth of material that is available to the visitors.

Acting Asst. Town Manager Tavares commented that moving forward, he sees this as a cornerstone in how the Board integrates in allowing the residents and visitors to get to know each other.

Discussion ensued regarding different event ideas to attract tourists and bring visitors to Surfside.

Michael Karukin of 9365 Abbott Avenue and George Kousoulas of 9225 Collins Avenue spoke on this item.

Board member Berger made a motion to have discussion regarding an event around the time of Art Basel. Secretary Meischeid seconded the motion which carried 3-0 on roll call vote.

Acting Asst. Town Manager Tavares advised the Board that they have officially received the trademark for Miami's Surfside uptown beach town.

3. Tourism Director Position Update

Chair Cohen commented that interviews were held today.

Acting Asst. Town Manager Tavares commented that they are meeting with more candidates on Wednesday and again on Friday. The goal is to have at least three recommendations that then go to the Town Manager which is the process for all Town positions.

4. Third Thursdays Update

Acting Asst. Town Manager Tavares commented that the last Third Thursday of the season is on April 20th from 7:00 p.m. to 9:00 p.m.

5. Sister Cities Update

Acting Asst. Town Manager Tavares commented that as discussed at their last meeting, the Board directed Board member Zawid to be the representative of the Board. He has not had the opportunity to speak with her and since she is absent tonight, he hopes to have an update from her at the next meeting.

6. Next Tourist Board Meeting: Monday May 1, 2017 at 5:30pm: Jacober Creative Update and FY17/18 Marketing Plan discussion. Holiday Lights Vendor Presentations.

Chair Cohen commented that the next meeting will be held on May 1, 2017 at 5:30 p.m. There will be discussions on the FY17/18 marketing plan as well as the holiday lights.

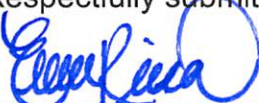
7. Public Comment

George Kousoulas commented on the review of contracts by the Board.

8. Adjournment

Secretary Meischeid made a motion to adjourn the meeting at 7:24 p.m. and Board member Berger seconded the motion which carried unanimously on voice vote.

Respectfully submitted:



Elora Riera, Deputy Town Clerk

Adopted by the Board on this 1st day of May, 2017



Barbara Cohen, Chair

April 3, 2017

I would like to add clarity to the discussion that occurred during Good and Welfare at the March 14th Town Commission meeting.

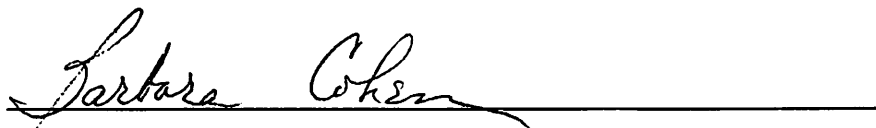
It was stated that the Tourist Board members concerns were not being addressed in relation to the First Fridays event series and its accompanying contract/contracts.

For the record, this Board has debated/opined and voted upon a number of measures related to First Fridays at nearly every monthly meeting for almost a year. At some of these meetings, this topic occupied the majority of the meeting time.

All of the Board's opinions, concerns and votes have been recorded as part of the meeting minutes. The Board-approved minutes are always provided as part of the Town Commission agenda packet and entered into the Public record.

The Town administration has acted based on the direction given by the Board in the form of motions, seconds and majority vote. In fact, last month this Board specifically voted against needing to review the First Friday agreement.

It's been my experience during the last 12 years that or Town Attorney's office and the Director of Tourism have more than ably tended to contracts with vendors given the direction this Board provided.

A handwritten signature in cursive script that reads "Barbara Cohen". The signature is written in black ink and is positioned above a solid horizontal line.

Chair Barbara Cohen
Town of Surfside Tourist Board



Town of Surfside

PARKS & RECREATION COMMITTEE MEETING MINUTES

April 24, 2017 – 7:00 p.m.
Surfside Community Center
9301 Collins Avenue, Surfside, FL 33154

1. Call to Order/Roll Call

The meeting was called to order by Chair Logan at 7:03 p.m.

The following were present:

Chair Logan
Vice Chair Eliana Salzhauer*
Jeffrey Platt
Shlomo Danzinger
Zoya P. Javier

Also present:

Linda Miller, Town Attorney
Tim Milian, Parks & Recreation Director
Commissioner Tina Paul, Commission Liaison
Elora Riera, Deputy Clerk

2. Approval of Minutes: March 27, 2017

Town Attorney Miller commented that her and the Town Managers names were listed in the minutes as present but they were not at the meeting.

Committee member Danzinger moved to approve the minutes as amended. Committee member Javier seconded the motion which carried 4-0 on voice vote.

3. Summer Camp (1st week of registration) Update

Parks & Recreation Director Milian provided a quick recap of all the Springs events that took place this month. He commended the Parks & Recreation staff for all of their hard work.

Parks & Recreation Director Milian announced the retirement of Town Attorney Miller. He thanked her for all of her help towards Parks & Recreation Department.

Parks & Recreation Director Milian commented that summer camp registration began on April 17th. They run session 1 and session 2 which are 4 week sessions plus an extended 2-week camp which totals 10 weeks of the summer program. Session 1 blue team which are ages 6-8 years old is 75% filled. Session 2 blue team is 75% filled and the full session is 80% filled. Session 1

green team which is ages 9-12 years old is 75% filled. Session 2 green team is 75% filled and the full session green team is sold out.

*Committee member Salzhauer arrived at 7:11 p.m.

4. 96th Street Park

Parks & Recreation Director Milian stated that at the moment, the committee has \$340,000 in voluntary proffers. He commented that out of the top four items; three have been completed. It was discussed to try and phase the 96th Street Park project out so that the funds can be allocated.

Committee member Salzhauer commented that the park needs to be redone completely. She would feel more comfortable waiting to get the funds to do the job properly.

Discussion ensued regarding the renovation of 96th Street park and whether to close it completely or to phase out the project.

Chair Logan suggested that Parks & Recreation Director Milian identify potential areas to get funds and keeping part of the park functional during any renovations if possible.

The following items were briefly discussed by the Committee:

- Astro turf
- 96th Street park double gate
- Kayak launch

Committee member Salzhauer made a motion that as a Committee, they have decided that 96th Street park is not an appropriate place to have an open space to the water.

After some discussion, Committee member Salzhauer withdrew her motion.

Committee member Javier requested a copy of the survey of the 96th Street park and Parks & Recreation Director Milian replied that he will email a copy to the Committee,

5. 4th of July Update

Parks & Recreation Director Milian commented that there had been previous discussion regarding reflective vests and it is being looked into for the 4th of July event. He advised the members that the contract has been approved. He mentioned that fireworks area is being expanded to go north of the lifeguard tower just in case of turtle nesting. The annual 4th of July events will begin at 2:00 p.m. with the fireworks starting at 9:00 p.m.

Parks & Recreation Director Milian advised the Committee that he is going to look further into the reflective vests.

6. Pianos on Parade

Parks & Recreation Director Milian gave a brief explanation of the Pianos on Parade program for those Committee members that were not present at the last meeting.

The Committee agreed that they would like to have the piano placed inside the gates of the Community Center for children safety purposes.

7. Community Input

The following items were brought up for brief discussion by Committee member Salzhauer by some residents:

- Aerator for the pool
- Surf classes
- Martial Arts classes

8. Meeting Adjournment

Committee member Danzinger moved to adjourn the meeting at 8:16 p.m. Committee member Platt seconded the motion which carried unanimously on voice vote.

Respectfully submitted:



Elora Riera, Deputy Clerk

Adopted by the Board on this 19 day of June, 2017



Retta Logan, Chair



Town of Surfside

Tourist Board Meeting Minutes

May 1, 2017 – 5:30 p.m.

Town Hall Commission Chambers –
9293 Harding Ave, 2nd Floor, Surfside, FL 33154

1. Call to Order/Roll Call

The meeting was called to order by Chair Cohen at 5:40 p.m.

Present: Chair Barbara Cohen
Vice Chair Jessica Weiss

Absent: Secretary Marianne Meisheid
Chase Berger
Jennifer Zawid

Also present: Duncan Tavares, Acting Asst. Town Manager
Melissa Richards, Marketing and Special Projects Coordinator
Jane Graham, Assistant Town Attorney
Elora Riera, Deputy Clerk

Chair Cohen called the meeting to order. She announced that there is no quorum to conduct the meeting, therefore the meeting will be adjourned and the next meeting will take place on June 5, 2017 at 5:30 p.m.

2. Adjournment

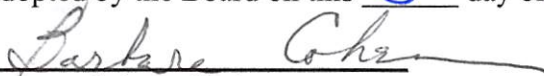
There being no quorum, the meeting was adjourned at 5:40 p.m.

Respectfully submitted:



Elora Riera, Deputy Clerk

Adopted by the Board on this 5 day of June, 2017



Barbara Cohen, Chair



**Town of Surfside
DESIGN REVIEW BOARD/
PLANNING & ZONING BOARD
MINUTES**

May 25, 2017 – 7:00 p.m.
Town Hall Commission Chambers –
9293 Harding Ave, 2nd Floor, Surfside, FL 33154

DESIGN REVIEW BOARD

1. Call to Order/Roll Call

Chair Lindsay Lecour called the meeting to order at 7:03 p.m.

Recording Clerk Frantza Duval called the roll with the following members present: Chair Lindsay Lecour, Vice Chair Judith Frankel, Board Member Brian Roller, Board Member Gregg Covin, and Board Member Peter Glynn. Board Member Jorge Gutierrez, and Board Member Richard Iacobacci were absent.

2. Approval of Minutes – April 27, 2017

Board Member Glynn made a motion to approve. The motion received a second from Board Member Covin and all voted in favor with Board Member Gutierrez and Board Member Iacobacci absent.

3. DESIGN REVIEW BOARD APPLICATIONS:

A. 1000 Surfside Boulevard – Garage Addition -The applicant is requesting a 559-square foot garage and laundry room addition to the front of the house. Also included is a request to remove and replace an existing driveway to align with the new garage. Town Planner Sarah Sinatra presented the item.

Board Member Roller made a motion to approve with the following condition:

1. To retain the same amount of landscaping as the existing condition.

The motion received a second from Board Member Glynn and all voted in favor with Board Member Gutierrez and Board Member Iacobacci absent.

B. 9408 Byron Avenue – New Single-Family Residence - The applicant is proposing the construction of a new two story single-family residence. Town Planner Sarah Sinatra presented the item.

Board Member Glynn made a motion to approve. The motion received a second from Board Member Roller and all voted in favor with Board Member Gutierrez and Board Member Iacobacci absent.

C. 500 Surfside Boulevard – Façade modifications - The applicant is requesting to renovate a portion of the house, replace and add windows, replace clay tile roof, add two trellises, add

a Jacuzzi spa and patio, new driveways, new front walkway, and new aluminum fencing and gates along the front of the property. Town Planner Sarah Sinatra presented the item.

The applicant spoke in favor of the item with more details. Chair Lecour opened the public hearing and no one wishing to speak the public hearing was closed. The Board discussed the item and Planner Sinatra addressed questions from the Board. Town Manager Olmedillo gave code information regarding the trellis in question. Public Speaker Deborah Cimadevilla spoke in support of the application. She is in support of fences on corner home lots.

Board Member Roller made a motion to approve with the condition of notifying neighbors giving them a chance to respond. Board Member Roller withdrew his motion.

Board Member Glynn a made a motion to approve with the following conditions:

1. Fence and trellis deferred
2. Proposed fence along frontage of property needs to verify 50% opacity maximum at building permit;
3. Roof Deck note shall be removed on Sheet A2.02;
4. Proposed driveway material shall be verified at building permit;
5. Design Review Board should supply an interpretation on proposed trellis in rear yard. Accessory structures in rear yard require a 5-foot setback which the proposed trellis meets, however, trellis is attached to the house and staff does not interpret the trellis as an accessory structure and requires a 20-foot setback.

The motion received a second from Vice Chair Frankel and all voted in favor with Board Member Gutierrez and Board Member Iacobacci absent.

D. 9528 Bay Drive – Façade modifications - The applicant is proposing to construct the following items to their single-family residence: an additional garage, covered porch, trellises, gates and fencing, a new deck, an outdoor spa, an outdoor kitchen, and new paver driveway. Town Planner Sarah Sinatra presented the item. The architect answered questions from the Board. There were no other public speakers. The Board discussed the item.

Board Member Roller made a motion to approve with the following conditions:

1. Concrete strips driveway cannot extend beyond the front plan of the house into the side yard;
2. Proposed concrete pillars, fencing and gates in the front of the home cannot exceed 5 feet;
3. Remove any chain-link fencing on this property that extends beyond the front plan of the house;
4. Proposed deck is required to have a 5-foot setback from the bulkhead;
5. Synthetic grass is only permitted in the inlays of the proposed driveway and may not extend into landscape areas;
6. If proposed Jacuzzi spa is recessed into the ground it requires a 20-foot setback from the bulkhead or an inspection is required from a registered structural engineer is required to verify the structural integrity of the existing bulkhead will not be compromised by the spa.
7. Applicant shall include calculations on openings to demonstrate at least 10% wall openings are provided on the building permit plans.

The motion received a second from Board Member Glynn and all voted in favor with Board Member Gutierrez and Board Member Iacobacci absent.

D. **9380 Collins Avenue – Sign** - The applicant is requesting one (1) non-illuminated wall signs for the sales center for the proposed townhouse development. The applicant is proposing individual aluminum letter sign and logo.
Town Planner Sarah Sinatra presented the item.

Board Member Glynn made a motion to approve with the following conditions:

1. The applicant shall remove the window signs and graphics on the property that are not included with this application;
2. Proposed sign shall be off-set from the wall a minimum of one quarter inch to a maximum of two inches to permit rain water to flow down the wall face;
3. The applicant shall provide external illumination per code for the proposed sign.

The motion received a second from Board Member Covin and all voted in favor with Board Member Gutierrez and Board Member Jacobacci absent.

E. **400 90th Street - After-The-Fact Approval - New Residence** - The applicant is requesting approval of an after-the-fact constructed new one story single-family residence.
Town Planner Sarah Sinatra presented the item.

Board Member Glynn made a motion to approve with the following conditions:

1. The property shall meet the Landscape Code Requirements of 9 trees and 35 shrubs;
2. Landscaping should be supplied along the front elevation specifically the blank wall areas to soften the appearance.

The motion received a second from Board Member Roller and all voted in favor with Board Member Gutierrez and Board Member Jacobacci absent.

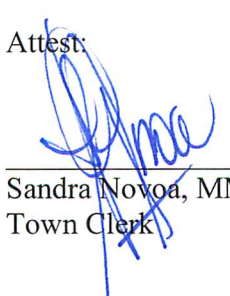
Commissioner Daniel Gielchinsky attended as liaison and arrived at 7:57 pm.

4. Adjournment

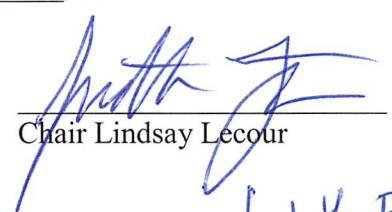
There being no further business to come before the Design Review Board the meeting adjourned at 8:10 p.m.

Accepted this 29 day of June, 2017

Attest:



Sandra Novoa, MMC
Town Clerk



Chair Lindsay Lecour

Judith Frankel
for Ms. Lecour

PLANNING & ZONING BOARD

1. CALL TO ORDER

Chair Lindsay Lecour called the meeting to order at 8:10 p.m.

2. ROLL CALL

Recording Clerk Frantza Duval called the roll with the following members present: Chair Lindsay Lecour, Vice Chair Judith Frankel, Board Member Brian Roller, and Board Member Peter Glynn. Board Member Richard Iacobacci was absent. Commissioner Daniel Gielchinsky attended as liaison.

3. Commissioner Daniel Gielchinsky- Town Commission Liaison Report

Commissioner Gielchinsky gave an update.

4. Planning and Zoning Board Member – Sustainability Subcommittee Liaison Report

Town Planner Sarah Sinatra gave an update.

5. APPROVAL OF MINUTES: **April 27, 2017**

Vice Chair Frankel made a motion to approve. The motion received a second from Board Member Roller and all voted in favor with Board Member Iacobacci absent.

6. Quasi-Judicial Application:

A. 400 90th Street – After-The- Fact Approval - Setback Variance

A RESOLUTION OF THE TOWN OF SURFSIDE, FLORIDA PLANNING AND ZONING BOARD CONSIDERING THE APPLICATION OF 400 90TH STREET TO PERMIT A VARIANCE FROM THE REQUIREMENTS OF SECTION 90-45 “SETBACKS” OF THE TOWN OF SURFSIDE CODE OF ORDINANCES; TO ALLOW AN AFTER-THE-FACT 0.32 FOOT SETBACK VARIANCE ON THE NORTH (CORNER SIDE OF LOT) AND A 5.21 FOOT SETBACK VARIANCE ON THE WEST (REAR SIDE OF LOT); PROVIDING FOR RECOMMENDATION OF APPROVAL; PROVIDING FOR AN EFFECTIVE DATE.

Recording Clerk Frantza Duval read the title of the resolution.

Chair Lecour read the process and rulings of a quasi-judicial hearing.

Recording Clerk Duval confirmed that compliance with advertising notice requirements have been met. Assistant Town Attorney Graham asked the Planning and Zoning Board if anyone had ex-parte communications with the Applicant or any supporter or objector.

All Board Members answered no. Recording Clerk Duval swore in the people who wished to speak on the item.

Town Planner Sinatra presented the item. The applicant’s representative spoke on the item giving more details.

Chair Lecour opened the meeting to public hearing. No one wishing to speak the Chair closed the public hearing.

The Board discussed the item and the Town Planner answered questions from the Board.

Board Member Glynn made a motion to recommend the item to the Town Commission. The motion received a send by Vice Chair Frankel and all voted in favor with Board Member Iacobacci absent.

B. Casa de Jesus - Special Exception Request

A RESOLUTION OF THE TOWN OF SURFSIDE, FLORIDA PLANNING AND ZONING BOARD; RECOMMENDING APPROVAL OF A SPECIAL EXCEPTION WITH CONDITIONS TO PERMIT AN AFTER-SCHOOL PROGRAM AT CASA DE JESUS, INC. LOCATED AT 228 89TH STREET IN THE TOWN OF SURFSIDE; PROVIDING FOR A SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

Recording Clerk Frantza Duval read the title of the resolution.

Chair Lecour read the process and rulings of a quasi-judicial hearing.

Recording Clerk Duval confirmed that compliance with advertising notice requirements have been met. Assistant Town Attorney Graham asked the Planning and Zoning Board if anyone had ex-parte communications with the Applicant or any supporter or objector.

All Board Members answered no. Recording Clerk Duval swore in the people who wished to speak on the item.

Town Planner Sinatra presented the item. The applicant's representative spoke on the item giving more details.

Chair Lecour opened the meeting to public hearing

Public Speaker Deborah Cimadevilla spoke in support of the item.

No one else wishing to speak the Chair closed the public hearing.

The Board discussed the item and the applicant answered questions from the Board. A one year trial period was discussed.

Board Member Roller made a motion to recommend the item as stated to the Town Commission. The motion received a send by Vice Chair Frankel and all voted in favor with Board Member Iacobacci absent.

7. Discussion Items:

A. PEM Technology

Town Planner Sinatra presented the item. Chair Lecour spoke in support of the item. The Board discussed the item and would like it to move forward subject to some cost information. Public Speaker Deborah Cimadevilla presented some ideas.

B. Dune Crossovers

Town Planner Sinatra presented the item. Public Speaker George Kousoulas spoke on the item and answered questions from Commissioner Gielchinsky. Assistant Town Attorney Graham spoke on the item. The Board is in favor of the item and would like it to move forward to the Town Commission

C. Prioritization of Future Agenda Items

Chair Lecour asked that additional future agenda items be reflected in the minutes. Town Planner Sinatra added two items to the list and asked the Board to prioritize the items. Items added are Trellis and Landscape Plans. The Board discussed the items to prioritize the list.

D. Verbal Update of Pedestrian Circulation

Board Member Roller attended the Commission Meeting and gave an update on his comments. Town Manager Olmedillo gave some specifics of the item as to traffic and pedestrians and said at the next Commission meeting they will discuss costs and meetings with neighbors.

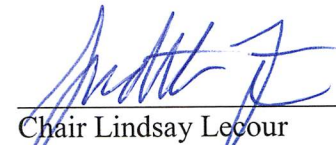
E. Verbal Update of Resiliency Strategies

Town Planner Sinatra gave an update. The Board recommends that the Town Commission refocus on the referendum regarding the height in parallel with these other options and that we do not lose time on that referendum as they feel it is important.

8. Adjournment

There being no further business to come before the Planning and Zoning Board the meeting adjourned at 9:33 p.m.

Accepted this 29 day of June, 2017

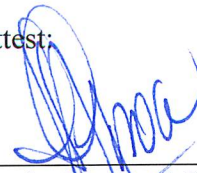


Chair Lindsay Lecour

Judith Frankel

for Ms. Lecour

Attest:



Sandra Novoa, MMC
Town Clerk



Town of Surfside Commission Communication

Agenda Item # 5A

Agenda Date: July 11, 2017

Subject: Town Website

Background: The existing Town website was launched in the fall of 2012 with vendor eCity Services. Since that time the Town has refreshed the look of the site but has not had the ability to address the functionality or usefulness of the site due to limitations of the platform.

Analysis: On April 13, 2017 the Town Commission approved an Addendum to the Agreement dated October 6, 2014 between the Town of Surfside and Calvin, Giordano & Associates (CGA) and Work Authorization No. 100 to perform Information Technology, Website Hosting and Multimedia Services. The Town has an opportunity to bring this IT function back under the management of the administrative division that traditionally oversees such items for municipalities.

As technology has advanced and improved, the Town now has the opportunity to address long standing issues regarding information navigation and the responsiveness of the website (how it functions and looks on smartphones, tablets etc). In addition, a text alert function will be added to the new site. More information on the new site is provided by CGA in Attachment A. It is anticipated that the new site will go live on November 1, 2017.

Budget Impact: The creation of a new website and the implementing of data into the new site will cost \$49,500. While this initiative was not budgeted for FY2016/2017, there are sufficient funds in the operating budget to accommodate the cost of building the new website while not affecting reserves.

Other annual budgeted costs associated with the website are as follows:

- o \$899 per year for the Sitefinity annual licensing / maintenance & upgrades (presently the agreement with eCity Services is \$4325 per year)
- o \$4,995 per year would still be required for the video function (Earth Chanel)
- o \$3,000 per year additional fee for the new text alert function

The data management expenses associated with the website are covered under the Work Authorization No. 101 (See Attachment "A" to the Resolution) and with current staff duties.

The total cost of this project in the amount of \$49,500 will be funded from the following accounts:

- a) Building Services Department
Other Contractual Services Account No. 150-2500-524-3410 in the amount of \$24,750
- b) General Fund Executive Department
Other Contractual Services Account No. 001-2000-512-3410 in the amount of \$24,750

Staff Impact: Existing staff will assist CGA with the transition of information to the new site and with the ongoing data maintenance.

Recommendation: The Administration recommends that the Town Commission approve CGA Work Authorization No. 101 and authorize the expenditure of funds in the amount of \$49,500.

Guillermo Olmedillo
on behalf of

Guillermo Olmedillo, Town Manager

Don Nelson
on behalf of

Don Nelson, Finance Director

Memo

To: Duncan Tavares, Surfside Assistant Town Manager

From: Calvin, Giordano & Associates

cc:

Date: 6/16/2017

Re: Town of Surfside Website

The goal of a municipal website should be to provide a central repository of information for residents, visitors and business owners. The website should be clean, efficient and easy to navigate by all the Town's constituents. CGAs goal is to provide website hosting services along with a highly purposeful website to assist the needs of Surfside while adhering to the latest Internet trends.

The Town's current website platform cannot meet the needs of a modern website. CGA will be able to develop a new website for the Town of Surfside, which will have a more responsive design for all devices such as mobile phones, tablets and computers. Sitefinity's content management system (CMS) improves upon the Town's current website in many ways. First, Sitefinity provides a simple to use interface with drag-and-drop features to assist the Town's staff in creating stunning page layouts. Sitefinity also allows the Town to store all its documents, images and other files in a centralized database. These files can then be grouped together by categories and be effortlessly retrieved as needed. Sitefinity can also connect to third party services such as Google Analytics to report important demographics on users who visit the Town's site. Finally, Sitefinity has a built-in notification system, eliminating the need for other sites such as Constant Contact for sending out notifications such as Town Meetings and Traffic Alerts.

In 2016, the percentage of websites viewed on mobile devices jumped to just over 51.3%. The trend has been steadily rising as a majority (over 70% in 2016) of the population of the United States owns a smartphone. More websites are being developed or re-developed to respond and conform to the device they are being viewed on. In a mobile-responsive site, the desktop view differs from the mobile view – navigation menus collapse into a simple pulldown menu, multiple columns of content shift into a "stacked" layout, fonts increase or decrease for readability and larger files such as background images may be left out to decrease the amount of data that is needed to download.

Most websites today are not written page by page. Content is dynamic and changes daily and may exist on multiple pages. The need for a cohesive brand that echoes throughout the site, a central repository for managing and displaying official documents, and an organized hierarchical page structure, which facilitates navigation, is essential for any website. This is especially true for municipal websites. Content Management Systems allow for organization and management of a central repository of page

templates, content and digital assets. Sitefinity CMS is a robust platform that offers solutions for websites, such as:

- *Platform agnostic approach* – having the ability to create pages that can be easily adapted to any platform EX:(IOS, Android, Windows, Linux, Mac).
- *User Management* – having the ability to create users and set privileges based on roles; allow specific roles to create/edit/remove content, events and dynamic content, and access administrative content.
- *Template Design Manager* – allows for different layouts for interior web pages, while maintaining a similar look and feel throughout.
- *Reusable Content Management* – offers the ability to reuse common assets, which are applied to multiple pages and content areas; rather than repeating the same information twice (or more times), the content is stored on a list and retrieved dynamically onto the page(s). This allows you to edit once and have the information propagated in every place that it appears; the content is also added via a simple “drag & drop” interface, essentially eliminating the need for coding knowledge.
- *Search Engine Optimization* – allows pages to contain certain keywords that make them visible to search engines; properly categorizing the content on a website will allow users to find you more easily and direct them to the pages and information they need.
- *Digital Asset Management* – organization and categorization of content such as departmental documents, permits, and monthly reports; images; and other dynamic content.
- *Customizable Widgets and Third-party Integration* – additional pieces of code and configurations which allow the site to be more functional and tie-in to external services, such as agenda management applications, streaming media services and online payment.
- *Content syndication* – this allows the both the Town officials and residents to subscribe to various outlets provided by Sitefinity such as text messages, emails campaigns and newsletters.

RESOLUTION NO. 17 - _____

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA APPROVING CALVIN, GIORDANO & ASSOCIATES, INC. WORK AUTHORIZATION NO. 101 FOR SURFSIDE WEBSITE REDESIGN; AUTHORIZING THE EXPENDITURE FROM THE 2016/2017 FISCAL YEAR BUDGET IN THE TOTAL AMOUNT OF \$49,500 FROM THE BUILDING SERVICES DEPARTMENT OTHER CONTRACTUAL SERVICES ACCOUNT NO. 150-2500-524-3410 IN THE AMOUNT OF \$24,750 AND THE GENERAL FUND EXECUTIVE DEPARTMENT OTHER CONTRACTUAL SERVICES ACCOUNT NO. 001-2000-512-3410 \$24,750 IN THE AMOUNT OF \$24,750; PROVIDING FOR APPROVAL AND AUTHORIZATION; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town, pursuant to Section 287.055, Florida Statutes, solicited proposals to perform Professional General Engineering Services (“Services”); and

WHEREAS, proposals were evaluated and ranked by a Selection Committee; and

WHEREAS, on July 8, 2014, the Town Commission adopted Resolution No. 14-2245, which ratified the ranking of the Proposals and authorized the Town Manager to execute an Agreement with Calvin, Giordano & Associates, Inc. (“CGA”); and

WHEREAS, the Town Commission selected CGA to perform services on an on-going, as needed basis, and at the sole discretion of the Town and on October 6, 2014, the Town and CGA entered into an Agreement (hereinafter “Agreement”); and

WHEREAS, on February 16, 2017, the Town adopted Resolution No. 17-2421 approving an Addendum to the CGA Agreement to render additional services to perform Information Technology, Website Hosting and Multimedia Services; and

WHEREAS, the Town finds it necessary to request CGA to redesign the Town of Surfside website as set forth in Work Authorization No. 101 (Attachment “A”); and

WHEREAS, it is in the best interest of the Town to approve Work Authorization No. 101 - Surfside Website Redesign in the total amount of \$49,500.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and incorporated into this Resolution by this reference.

Section 2. Approval and Authorization. The Town Commission hereby approves Calvin, Giordano & Associates, Inc. Work Authorization No. 101 – Surfside Website Redesign (Attachment “A”) and authorizes the expenditure of funds from the fiscal year 2016/2017 in the total amount of \$49,500 from the Building Services Department Other Contractual Services Account No. 150-2500-524-3410 in the amount of \$24,750 and the General Fund Executive Department Other Contractual Services Account No. 001-2000-512-3410 \$24,750 in the amount of \$24,750.

Section 3. Implementation. The Town Manager is hereby authorized to take any and all action necessary to implement this Resolution.

Section 4. Effective Date. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this _____ day of July 2017.

Motion by _____,

Second by _____.

FINAL VOTE ON ADOPTION

Commissioner Daniel Gielchinsky _____
Commissioner Michael Karukin _____
Commissioner Tina Paul _____
Vice Mayor Barry Cohen _____
Mayor Daniel Dietch _____

Daniel Dietch, Mayor

ATTEST:

Sandra Novoa, MMC, Town Clerk

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY FOR THE TOWN OF SURFSIDE ONLY:**



Linda Miller, Town Attorney



Calvin, Giordano & Associates, Inc.
EXCEPTIONAL SOLUTIONS™

June 30, 2017

Mr. Guillermo Olmedillo
Town Manager
TOWN OF SURFSIDE
9293 Harding Avenue
Surfside, FL 33154

RE: Work Authorization No. 101
Surfside Website Redesign
CGA Proposal No. 17-9227

Dear Mr. Olmedillo,

Enclosed for your review and approval is Work Authorization No. 101 for Surfside Website Redesign. The scope of the project includes Website Redesign.

The Scope of Services to be furnished under this Work Authorization includes Data Technologies & Development as shown on the attached Work Authorization.

The Basis of Compensation is a one-time fee of \$49,500.00 to be invoiced in FY2017 for Website Development Services, including re-occurring annual costs for \$8,894.00 to be invoiced in FY2018.

Sincerely,

CALVIN, GIORDANO & ASSOCIATES, INC.

Chris Giordano
Treasurer

Building Code Services
Civil Engineering / Roadway
& Highway Design
Coastal Engineering
Code Enforcement
Construction Engineering &
Inspection (CEI)
Construction Services
Data Technologies &
Development
Electrical Engineering
Engineering
Environmental Services
Facilities Management
Geographic Information
Systems (GIS)
Governmental Services
Indoor Air Quality
Landscape Architecture
Planning
Project Management
Redevelopment
& Urban Design
Surveying & Mapping
Traffic Engineering
Transportation Planning
Water / Utilities Engineering
Website Development

1800 Eller Drive
Suite 600
Fort Lauderdale, FL
33316
954.921.7781 phone
954.921.8807 fax

www.cgasolutions.com

TOWN OF SURFSIDE
Surfside Website Redesign

PROJECT DESCRIPTION

1. SCOPE OF SERVICES

Calvin, Giordano & Associates, Inc. will perform the following services based on our understanding of the project requirements:

I. Professional Data Technologies & Development Services

A. Phase One

1. Design / development meeting - up to 4 hours.
2. Install Sitefinity content management system software and hosting setup.
3. Perform requirements analysis on existing website content and sitemap structure.
4. Develop desktop version design. One design concept - up to 4 hours of changes.
5. Program all desktop design templates
6. Program website widgets to include
 - Community Calendar Widget
 - Local Weather Widget
 - Emergency Management System Widget
 - Social media widget to be added at a later date based on the Town commissions direction
7. Set up all pages and menus.
8. Design home page slideshow / section headers with supporting graphics.

9. Transfer all existing content from current website

10. Quality assurance / User acceptance testing

B. Phase Two

1. Design / development meeting for mobile display

2. Design Tablet / Phone responsive version for:

- Home page
- Department pages
- Residents section
- Business section
- Government section

3. Program responsive design templates for tablet/phones.

4. Quality assurance / User acceptance testing

C. Phase Three

1. Establish content syndication for:

- Link EarthChannel application into site page
- Link WENS application into site page
- Create six email templates for:
 - Traffic Alerts
 - Weekly e-Blasts
 - Monthly Gazette
 - Employment Opportunities
 - Agenda Template
 - General Template
- Link to the Towns Bill Pay application

D. Additional Services

1. Additional Services will be billed to the Town for Services performed outside of the scope mentioned above. Additional services will require approval from Town Administrator before work is commenced. Refer to the rates listed below for all additional services.

- Director Data Technology and Development: \$165.00 hourly
- Network Administrator: \$155.00 hourly
- Sr. Application Development: \$165.00 hourly
- System Support Specialist: \$115.00 hourly
- GIS Specialist: \$125.00 hourly
- Multi-Media 3D Developer: \$115.00 hourly (web development)

2. BASIS OF COMPENSATION:

One-time fee of \$49,500.00 to be invoiced in FY2017 for Website Development Services, including re-occurring annual costs for \$8,894.00 to be invoiced in FY2018, plus any additional scope requested by the Town as per Section D above.

3. SUBMITTED

Submitted by:



Chris Giordano

Date: June 30, 2017

4. APPROVAL

Approved by:

Guillermo Olmedillo, Town
Manager

Date:



**Town of Surfside
Town Commission Meeting
July 11, 2017, 7:00 pm**

Town Hall Commission Chambers - 9293 Harding Ave, 2nd Floor
Surfside, FL 33154

Commission Communication

Agenda #: 5B
Date: July 11, 2017
From: Commissioner Michael Karukin
Subject: Four Year Staggered Terms for the Town Commission and Retain Two year Term for Mayor

Background: At the May 9, 2017 Town Commission meeting, I presented a discussion item on four year staggered terms. The Commission voted to direct the Town Attorney to prepare the appropriate documents for a referendum amending the Charter on retaining the existing two year term for the Mayor and implement new four year staggered terms for the other four Commissioners.

The Miami-Dade County Elections Department's deadline to submit a resolution or ordinance to the Supervisor of Elections to call for a Special Election on March 20, 2018, for Charter amendments or any other questions is 60 days prior, by no later than Friday, January 19, 2018.

F.S. 101.161(1) states that, "The ballot summary of the amendment or other public measure shall be an explanatory statement, not exceeding 75 words in length. The ballot title shall consist of a caption, not exceeding 15 words in length, by which the measure is commonly referred to or spoken of." Proposed language is provided in the attached Resolution.

Consideration:

- Prior to 1975, the Surfside Charter specified 4 year terms for the Mayor and Commissioners.
- At a special election in November of that year, section 105 of the Charter was amended to "*establish future biennial elections for all members of the City Council, including the Mayor, for terms of two years in place and stead of the present four year council terms*".¹ Hence, 2 year terms in Surfside was born.
- However, most experts agree that 4-year staggered terms is good public policy and used by many if not most municipalities. Historically, it was understood that electoral "rotation" mixes the balance of stability and continuity with responsiveness to the electorate².

- Over the years, returning to some form of a 4-year term had been considered on several occasions. The last attempt to modify section 105 of the Charter was in 2014 but it did not pass. At that time, the 2014 Charter Review Board (CRB) recommended a hybrid approach where we would
 - a) retain the existing 2-year term for the Mayor,
 - b) implement 4 year staggered terms for the other 4 Commissioners, and
 - c) allow the full 5-member commission select the Vice Mayor each time a new mayor is elected (this was needed for logistical reasons).
- Two factors may have contributed to its rejection by the voters:
 - a) the ballot language in the title was not clear and
 - b) there were many other charter questions on the same ballot.
- In the 2014 ballot, the concept of retaining the existing 2-year term for the Mayor was not explicitly mentioned in the title (see reprint below). Disclosing that aspect of the proposal may have made a difference. Otherwise, unless you read the full description, based on the title alone, people may have thought that the terms for all 5 seats, including the Mayor's seat, were being extended from 2 to 4 years, when that was not the case.

Proposed Implementation strategy:

The outside counsel who worked with the 2014 Charter Review Board (Jean Olin) recommended the following implementation strategy.

- 1) Since the election would be in March 2018, the 4 year terms would have to be implemented in 2020 election.
- 2) In 2020, the commission candidates with the highest and second highest number of votes shall be elected for a 4-year term and the commission candidates with the third and fourth highest number of votes shall be elected for a 2 year term. The Mayors 2-year term is not changed.
- 3) In 2022, there will be an election for those 2 commission seats that had a two-year term that commenced in 2020. The commission candidates who in 2022 get the highest and second highest number of votes shall be elected for 4 year terms. The Mayors term remains unchanged.
- 4) Therefore, commencing in 2022 and every 2 years thereafter, every regularly scheduled election will be for 3 seats, the Mayor and 2 commissioners.

Recommendation:

Approve the attached Resolution and direct the Town Clerk to officially request the Miami-Dade County Supervisor of Elections' consent as to the date to call for a Special Election (*F.S. 100.151*) with the Town's regularly scheduled election on March 20, 2018.

Sources:

- 1) Surfside Resolution number 930, September 9, 1975.
- 2) Wirls, Daniel. (2015). "Staggered Terms for the US Senate: Origins and Irony". Legislative Studies Quarterly, 40, 3, August 2015. The Comparative Legislative Research Center of The University of Iowa. Accessed on 3/27/2017 at http://www.academia.edu/14338377/Staggered_Terms_for_the_U.S._Senate_Origins_and_Irony.
- 3) Final Report, 2014 Surfside Charter Review Board

RESOLUTION NO. 17 -

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA CALLING FOR A MARCH 20, 2018 TOWN OF SURFSIDE SPECIAL ELECTION, FOR THE PURPOSE OF SUBMITTING TO THE ELECTORATE OF THE TOWN OF SURFSIDE, FLORIDA A BALLOT QUESTION ON AMENDMENTS TO THE TOWN CHARTER “ESTABLISHING FOUR YEAR STAGGERED TERMS FOR COMMISSIONERS AND RETAINING MAYOR’S TWO YEAR TERM” COMMENCING WITH TOWN’S GENERAL ELECTION IN 2020; PROVIDING FOR THE TOWN CLERK TO UTILIZE THE SERVICES OF MIAMI-DADE COUNTY SUPERVISOR OF ELECTIONS; PROVIDING FOR REPEALER; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 97.1 of the Town Charter of the Town of Surfside (“Town”) referencing Section 6.03 of Article 6 of the Home Rule Charter for Miami-Dade County provides the manner in which charter amendments shall be proposed; and

WHEREAS, in accordance with provisions of the Charter of the Town of Surfside, Florida and the general laws of the State of Florida, a Special Election is hereby called and directed to be held in the Town of Surfside, Florida, from 7:00 a.m. to 7:00 p.m. on Tuesday, March 20, 2018, for the purpose of submitting to the electorate the question as set forth hereinafter; and

WHEREAS, that the appropriate and proper Miami-Dade County election officials shall conduct the said Special Election hereby called, with acceptance of the certification of the results of said Special Election to be performed by the Town Commission. The official returns shall be furnished to the Town Clerk of the Town of Surfside as soon as the ballots from the precinct have been tabulated; and

WHEREAS, the voting precinct in the Town of said Special Election which has been established by the proper and appropriate Miami-Dade County Election Officials is located at Surfside Town Hall, 9293 Harding Avenue, Florida 33154. All Town electors shall vote at this polling place for this Special Election, and

WHEREAS, not less than thirty days notice of the adoption of this Resolution and of its provisions calling this Special Election shall be given by publication in the Miami Herald, a newspaper of general circulation in Surfside, Miami-Dade County, Florida. Such publication shall be made in accordance with the provisions of Section 100.342, Florida Statutes, and the Code of the Town of Surfside.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and incorporated into this Resolution by this reference.

Section 2. Notice of Election

The Notice of Election shall be substantially in the following form:

THE TOWN OF SURFSIDE, FLORIDA

NOTICE OF SPECIAL ELECTION

NOTICE IS HEREBY GIVEN THAT A SPECIAL ELECTION HAS BEEN CALLED BY THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AND WILL BE HELD IN SAID TOWN FROM 7:00A.M. UNTIL 7:00P.M. ON THE 20TH DAY OF MARCH, 2018, AT WHICH TIME THERE SHALL BE SUBMITTED TO THE DULY REGISTERED AND QUALIFIED VOTERS OF THE TOWN OF SURFSIDE THE FOLLOWING QUESTION:

Establishing four year staggered terms for Commissioners and retaining Mayor’s two year term

Shall the Charter be amended to provide that commencing with Town’s General Election in 2020, retain existing two year term for Mayor, implement new four year staggered terms for Commissioners, Vice Mayor selection by the full Commission every two years, where Commissioners receiving the highest and second highest number of votes shall begin a four year term and Commissioners with the third and fourth highest number of votes shall begin a two year term.

_____ Yes

_____ No

Said Notice shall further set forth that Surfside Town Hall is the applicable polling place as set forth above, and shall further set forth pertinent information regarding eligibility of electors to participate in said election.

Section 3. Form of Ballot.

- A. That the official ballot to be used in the Special Election to be held on March 20, 2018, hereby called, shall be in substantially the following form, to-wit:

“OFFICIAL BALLOT”

Establishing four year staggered terms for Commissioners and retaining Mayor’s two year term

Shall the Charter be amended to provide that commencing with Town's General Election in 2020, retain existing two year term for Mayor, implement new four year staggered terms for Commissioners, Vice Mayor selection by the full Commission every two years, where Commissioners receiving the highest and second highest number of votes shall begin a four year term and Commissioners with the third and fourth highest number of votes shall begin a two year term.

_____ Yes
_____ No

- B.** The form of the ballot to be used in this Special Election and their preparation shall be in compliance with all statutory requirements relating to the use of mechanical or other approved voting machines or devices.

Section 4. Registration to vote. Registration of persons desiring to vote in the Special Election shall be in accordance with the general law of the State of Florida governing voter registration. Qualified persons may obtain registration forms to vote at the Office of the Town Clerk, Town Hall, 9293 Harding Avenue, Florida 33154, during normal business hours, and at such other voter registration centers and during such times as may be provided by the Supervisor of Elections of Miami-Dade County. The Miami-Dade County Supervisor of Elections will register voters for this Special Election until 5:00 p.m. on February 20, 2018. All persons eligible to vote at this Special Election must be registered before the time and date set forth herein or have registered previously, as provided by law. Each person desiring to become a registered voter shall be responsible for properly filling out the registration form and returning it to the Miami-Dade County Elections Office. All questions concerning voter registration should be directed to the Miami-Dade County Elections Office, 2700 N.W. 8th Avenue, Doral, Florida 33172; Telephone: (305) 499-VOTE (8683).

Section 5. Absentee Voters. That the absentee voters participating in said Special Election shall be entitled to cast their ballot in accordance with the provisions of the Laws of the State of Florida with respect to absentee voting.

Section 6. Election Expenses. That the Town of Surfside shall pay all expenses for conducting this Special Election and will pay to Miami-Dade County or directly to all persons or firms, upon receipt of invoice or statement approved by the Supervisor of Elections of Miami-Dade County, Florida.

Section 7. Available for Public Inspection/Town Clerk to Utilize the Services of Miami-Dade County Supervisor of Elections. Copies of this Resolution providing for this Charter amendment subject to this referendum approval is on file in the Office of the Town Clerk located at 9293 Harding Avenue, Surfside, Florida and available for public inspection during regular business hours. Furthermore, the Town Clerk is authorized to utilize the services of Miami-Dade County Supervisor of Elections for any assistance required in the administration of the election.

Section 8. Severability. If any section, sentence, clause or phrase of the ballot measure or proposed Charter text is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of said ballot measure or Charter text.

Section 9. Authorization of Town Officials. The Town Manager, Town Attorney and Town Clerk are hereby authorized to take all steps necessary to complete the execution of the terms of this Resolution.

Section 10. Effective Date. This Resolution shall be effective immediately upon its passage.

PASSED AND ADOPTED this ____ day of _____, 2017.

Motion by Commissioner _____, second by Commissioner _____.

FINAL VOTE ON ADOPTION

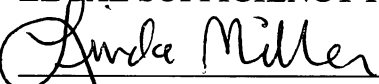
Commissioner Daniel Gielchinsky _____
Commissioner Michael Karukin _____
Commissioner Tina Paul _____
Vice Mayor Barry Cohen _____
Mayor Daniel Dietch _____

Daniel Dietch, Mayor

ATTEST:

Sandra Novoa, MMC, Town Clerk

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY FOR THE TOWN OF SURFSIDE ONLY:**



Town Attorney



Town of Surfside Commission Communication

Agenda Item #: 9A

Agenda Date: July 11, 2017

Subject: Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended September 30, 2016.

Background: The Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2016 was audited by the independent auditing firm of Marcum, LLP and have issued their opinion dated June 30, 2017. The independent auditors' opinion is located in the front of the CAFR and states: In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United State of America. The Town's Management Discussion and Analysis immediately follows the independent auditors report and provides a narrative introduction overview and analysis of the basic financial statements. Additionally, Marcum provided the Town Commission with a Communication Letter dated June 30, 2017 located in the back of the CAFR. The Financial Statements were prepared in conformity with generally accepted accounting principles in accordance with the Governmental Accounting Standards Board.

Recommendation: It is recommended that the Town Commission accept the Comprehensive Annual Financial Report, as audited by Marcum LLP for the fiscal year ended September 30, 2016, including the communication letter dated June 30, 2017. It is further recommended that the Town Commission join me in expressing gratitude and congratulations to the Finance Director Donald Nelson and his staff, Mayte Gamiotea, Controller, Marisol Rodriguez, Accounting Clerk, and Andria Meiri, Budget Officer for their diligence and hard work and effort leading up to the production of the CAFR.

Donald G. Nelson
Finance Director

Guillermo Olmedillo
Town Manager

June 30, 2017

To the Honorable Mayor, Town Commission, and Town Manager
Town of Surfside, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Surfside, Florida (the Town) for the year ended September 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 27, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies were not changed during 2016 with the exception of, as described in Note 1 to the financial statements, the Town changed accounting policies related to fair value measurement by adopting Governmental Accounting Standards (GASB) Statement No. 72, *Fair Value Measurement and Application*, in the fiscal year ended September 30, 2016. We noted no transactions entered into by the Town during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Town's statements were:

Management's estimate of the net pension liability in accordance with GASB Statement No. 68 is based on actuarial methods and assumptions used by the actuary for the development of the funding valuation as well as the accounting valuation. The key factors impacting the assumptions, such as change in market conditions, are subject to change on an annual basis therefore and can have a significant impact on this estimate. We evaluated the key factors and assumptions used to develop the estimate described above, in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements relate to the reporting required by GASB Statement No. 68. The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit other than the delays in receiving certain financial data requested which delayed completion of the audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. All significant adjustments proposed by the auditor, many of which were material, were recorded by management. There were no uncorrected misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 30, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Town's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Town's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

Required Supplementary Information

We applied certain limited procedures to Management's Discussion and Analysis and the budgetary comparison schedule, and the required supplementary information (RSI) for the pension and OPEB, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Other Information

We have been engaged to report on supplementary information other than RSI (Combining and Individual Fund Financial Statements and Schedules), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical analysis sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Mayor, Town Commission, Town Manager and the management of the Town of Surfside, Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Marcum LLP

Marcum LLP

A photograph of a modern, white building with a prominent overhanging roof supported by several thick, white, V-shaped columns. The building is surrounded by numerous palm trees of varying heights. In the background, a multi-story white apartment building is visible against a clear blue sky. The foreground consists of a paved plaza with light-colored rectangular tiles. The text of the report title is overlaid in the upper right portion of the image.

**TOWN OF
SURFSIDE, FLORIDA
COMPREHENSIVE
ANNUAL
FINANCIAL REPORT
FOR THE
FISCAL YEAR
ENDING
SEPTEMBER 30, 2016**

TOWN OF SURFSIDE, FLORIDA
Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2016



Prepared by
Finance Department

TOWN OF SURFSIDE, FLORIDA

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TOWN OF SURFSIDE, FLORIDA

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TOWN OF SURFSIDE, FLORIDA

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INTRODUCTORY SECTION



LETTER OF TRANSMITTAL



June 30, 2017

To the Honorable Mayor and Vice Mayor, Town Commissioners, and the Citizens of the Town of Surfside, Florida:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Town of Surfside, Florida (the Town), for the fiscal year ended September 30, 2016. Florida Statutes require that every general-purpose local government publish within nine months of the close of each fiscal year a complete set of audited financial statements. In addition to meeting this legal requirement, the report continues to present the Town's strong tradition of full financial disclosure. This philosophy is reflected by the informative financial analysis provided by the Town's Finance Department and the exhibits and statistical tables included herein.

The CAFR's role is to assist in making economic, social and policy decisions and to assist in assessing accountability to the citizenry by:

- Comparing actual financial results with the legally adopted budget, where appropriate;
- Assessing financial condition and results of operations;
- Assisting in determining compliance with finance related laws, rules and regulations; and
- Assisting in evaluating the efficiency and effectiveness of Town operations.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Town. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly present the financial position and results of operations of the Town; and that all disclosures necessary to enable the reader to gain an understanding of the Town's financial activity have been included.

Marcum LLP, independent auditors, have issued an unmodified opinion on the Town of Surfside's financial statements for the fiscal year ended September 30, 2016. The



independent auditors' report is located at the front of the financial section of this report. The Town's financial statements have been prepared in conformity with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). The Town's Management Discussion and Analysis (the MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A compliments the letter of transmittal and should be read in conjunction with it.

ACCOUNTING AND INTERNAL CONTROLS

Management of the Town is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- The cost of a control should not exceed the benefits likely to be derived; and
- The valuation of costs and benefits requires estimates and judgments by management.

PROFILE OF THE GOVERNMENT

The Town is a beautiful oceanfront community located in the tropical paradise of South Florida. The Town was incorporated in 1935 and is home to approximately 5,800 residents. The Town of Surfside includes a tranquil, attractive, residential neighborhood, multi-family residences, a traditional "home town" business district and tourist facilities that welcome visitors year round.

The Town is a Commission-Manager form of government. The Town is governed by a Mayor, Vice-Mayor and three Town Commissioners, elected Town-wide to two-year terms. Collectively known as the Town Commission, they appoint a full-time Town Manager, who is responsible for the administration of the Town's operations. The Town Commission establishes policy for the operation of the government, enacts ordinances for the safety, welfare, and orderly interaction of the citizens of the Town, adopts a millage rate and annual budget, appoints the Town Attorney, as well as members to various boards, agencies, and authorities within the Town, and engages an independent auditor.

SERVICES PROVIDED

The Town provides a full range of municipal services. These services include police, parks and recreation programs, tourism, public works, human resources, code compliance, finance, town clerk, town attorney, building, and planning and zoning. The Town also provides water and sewer utility, municipal parking, sanitation services and stormwater utility services to its citizens.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment. Surfside has maintained its strong financial position through prudent long-term financial planning, additional non ad-valorem revenue generation and fiscal actions to reduce or contain fixed costs.

The Town of Surfside enjoys a favorable commercial, residential and economic environment. Financial indicators point to increased growth. Additionally, the Surfside real estate market continues to be on the rise as prices of residential homes and condominiums increase. We anticipate a continued upward trend in taxable value growth as new hotel and condominium developments come on line.

Surfside is a tourist destination point in southeast Florida. In fact, Surfside has one mile of pristine beach coastline in Miami-Dade County. Surfside is one square mile in size of residential homes, condominiums and a beautiful tree lined business section. There is no industrial area in the Town. Thanks to the Town's low property tax millage rate, diversified commercial business base, a Town-sponsored shuttle system, and an active community of involved citizens who take a genuine interest in the social, business, cultural and governing aspects of the Town, Surfside continues to flourish and be financially strong.

The Town Commission has adopted financial policies. Management has made every effort to comply with these policies and we believe that we are in compliance with the adopted policies. The Town Commission has adopted a Five Year Financial Plan. This document forecasts the General Fund and several other fund operations for the next five (5) years and is used to guide the development of the annual operating budget.

The Town has also recognized the long-term financial cost implications of its pension plan and continues to fund 100% of the actuarially determined employer contribution. Accordingly, the pension plan's funded ratio is 89%, well above funded percentages considered to be healthy. The Town continues to monitor its pension costs for sustainability and to provide cost containment so as not to shift the costs to future taxpayers.

The Capital Improvements Program (CIP) is prepared and presented to the Town Commission as part of the annual budget process. The projects represent the Town's plan for infrastructure improvement and major equipment acquisition for the next five years.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its CAFR for the fiscal year ended September 30, 2015. This was the fifth year that the Town has submitted and received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

It should be noted that the Certificate of Achievement is a prestigious national award, presented in 2015 to 2,041 or 5.69% of 35,879 Towns and Cities nationwide, which recognizes conformance with the highest standards for preparation of state and local government financial reports.

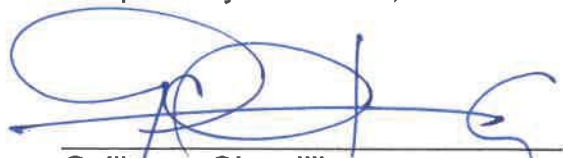
A Certificate of Achievement is valid for a period of one year only. We believe that our current fiscal year 2016 CAFR continues to meet the Certificate of Achievement requirements and we will submit it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this CAFR would not have been possible without the efficient and dedicated service of the Finance Department. The accounting staff consisting of Mayte D Gamiotea, Controller, Marisol Rodriguez, Accounting Clerk, and Andria Meiri, Budget Officer are to be especially thanked for preparing this report. Thank you to our Department heads who assisted and contributed to the preparation of this report and who worked diligently to provide quality service. We also wish to extend our appreciation to the auditing firm of Marcum LLP for their professionalism in conducting the audit of the Town's basic financial statements and related note disclosures and their assistance and efforts in helping the Town prepare their CAFR.

Finally, credit also must be given to the Town Commission for their unfailing support for maintaining the highest standards of professionalism and transparency in the management of the Town's finances.

Respectfully Submitted,



Guillermo Olmedillo
Town Manager



Donald G. Nelson
Finance Director

TOWN OF SURFSIDE, FLORIDA

LISTING OF ELECTED OFFICIALS AND ADMINISTRATIVE PERSONNEL

SEPTEMBER 30, 2016

TOWN COMMISSION

Daniel Dietch, Mayor

Barry Cohen, Vice Mayor

Daniel Gielchinsky, Commissioner

Michael Karukin, Commissioner

Tina Paul, Commissioner

OFFICIALS

Guillermo Olmedillo, Town Manager

David Allen, Chief of Police

Sandra Novoa, Town Clerk

Linda Miller, Town Attorney

Tim Milian, Parks and Recreation Director

Joseph Kroll, Public Works Director

Duncan Tavares, Tourism, Economic Dev, & Community Svs. Director

Rosendo Prieto, Building Official

Alan Graham, Code Compliance Director

Sarah Sinatra Gould, Town Planner

Yamileth Slate-McCloud, Human Resource Director

Donald G. Nelson, Finance Director

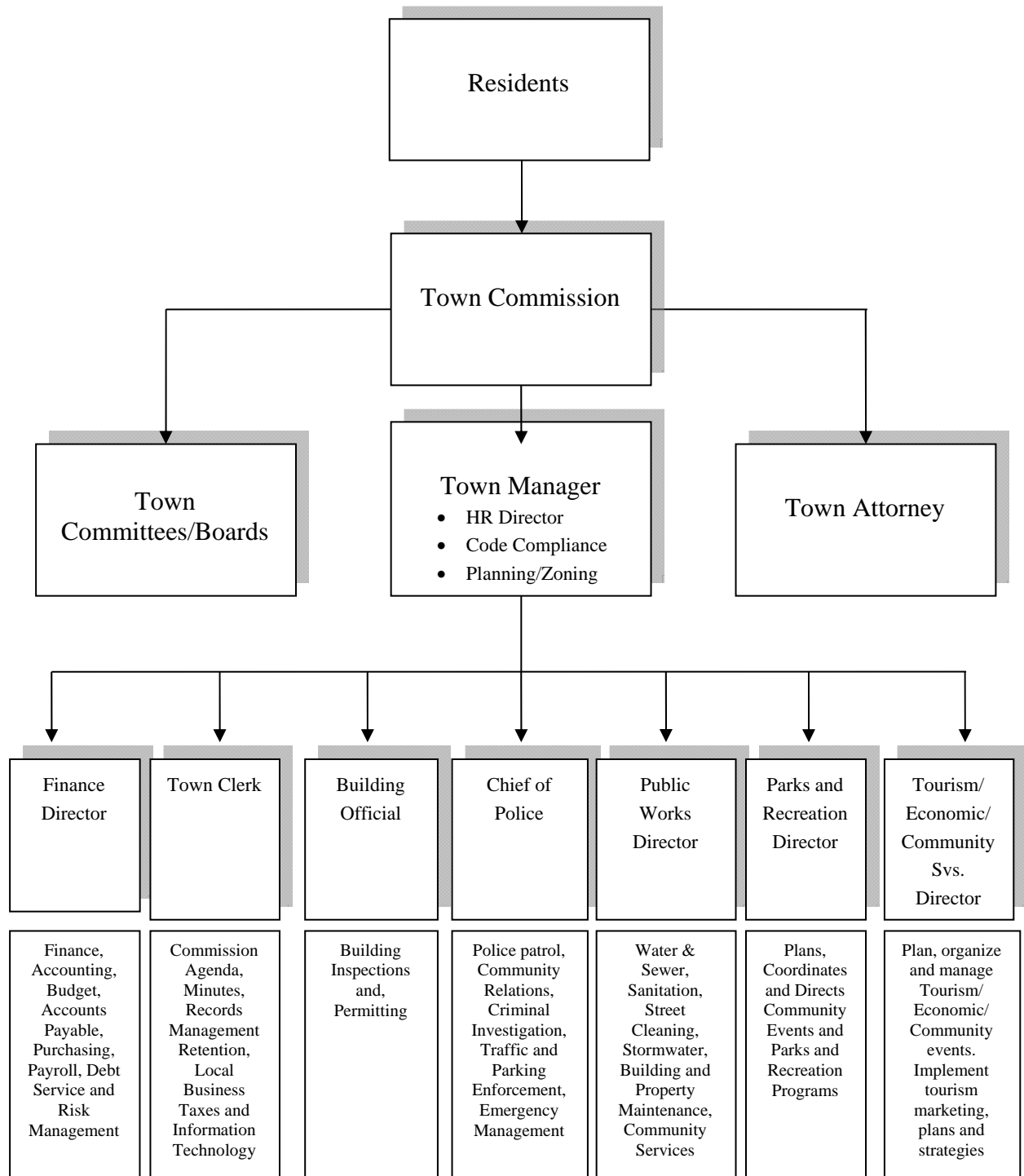
INDEPENDENT AUDITORS

Marcum LLP

TOWN OF SURFSIDE, FLORIDA

ORGANIZATION CHART

SEPTEMBER 30, 2016





Government Finance Officers Association

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

Presented to

**Town of Surfside
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

FINANCIAL SECTION



**INDEPENDENT AUDITOR'S
REPORT**

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, Town Commission and Town Manager
Town of Surfside, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Surfside, Florida (the Town), as of and for the fiscal year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Town'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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances,

but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 15, the budgetary comparison information on pages 64 and 66, and the required supplementary information for the pensions and OPEB on pages 67 through 69 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory and statistical sections and the combining and individual fund statements and schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2017 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Marcum LLP

Miami, FL
June 30, 2017

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

This section of the comprehensive annual financial report for the Town of Surfside (the Town), the Town's management is pleased to provide this narrative discussion and analysis of the financial activities of the Town for the fiscal year ended September 30, 2016. The Town's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

2016 FINANCIAL HIGHLIGHTS

- The Town's assets plus deferred outflows exceeded its liabilities plus deferred inflows of resources by \$36,686,030 (total net position) as of September 30, 2016.
- Total net position increased \$1,487,795 and is comprised of the following:
 - (1) Capital assets, net of related debt, of \$24,442,981 include property and equipment, net of accumulated depreciation, and reduced by capital related outstanding debt.
 - (2) Net position of \$1,449,671 is restricted by constraints imposed from outside the Town such as grantors, laws, or regulations.
 - (3) Unrestricted net position consists of \$10,793,378 that may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's governmental funds reported total ending fund balance of \$9,385,340 at September 30, 2016. This compares to the prior year total ending fund balance of \$6,984,368, showing an increase of \$2,400,972 during the current year. Unassigned fund balance is \$5,170,003 at September 30, 2016.
- At the end of the current fiscal year, the unassigned and unrestricted fund balance for the General Fund was \$7,170,003 or 61.1% of total General Fund expenditures. The unrestricted fund balance for the General fund was \$5,170,003 or 44% of total General Fund expenditures.
- Overall, the Town continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the Town's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Town also includes in this report additional information to supplement the basic financial statements. Comparative data is presented to allow comparison to the prior fiscal year.

Government-wide Financial Statements

The Town's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Town's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the Town's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town as a whole is improving or deteriorating. Evaluation of the overall health of the Town would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of the Town's infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the Town's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Town's distinct activities or functions on revenues provided by the Town's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Town principally supported by taxes from business-type activities intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, leisure services and transportation. Business-type activities include water and sewer, municipal parking, sanitation and storm water utilities activities.

The government-wide financial statements are presented on pages 16 and 17 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Town uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Town's most significant funds rather than the Town as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The Town has three types of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Town's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 18 - 19 of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the Town charges customers a fee. The Town's proprietary funds are classified as enterprise funds. The enterprise funds essentially encompass the same function reported as business-type activities in the government-wide statements.

The basic proprietary fund financial statements are presented on pages 21 - 24 of this report.

The Town's *Fiduciary fund* is reported in the fiduciary fund financial statements, but is excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund the Town's programs. The Town's fiduciary fund reports the Town's single employer pension plan balances and activities.

The basic fiduciary fund financial statements are presented on pages 25 and 26 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 27 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. A budgetary comparison schedule is included as "required supplementary information" for the General Fund. Budgetary comparison schedules for all other governmental funds can be found in the supplementary information section of this report. These schedules demonstrate compliance with the Town's adopted and final revised budget. In addition, some required trend information for the Town's pension trust fund and other post employment benefits (OPEB) plan are presented in this section. Required supplementary information can be found on pages 64 - 69 of this report.

Supplementary Information

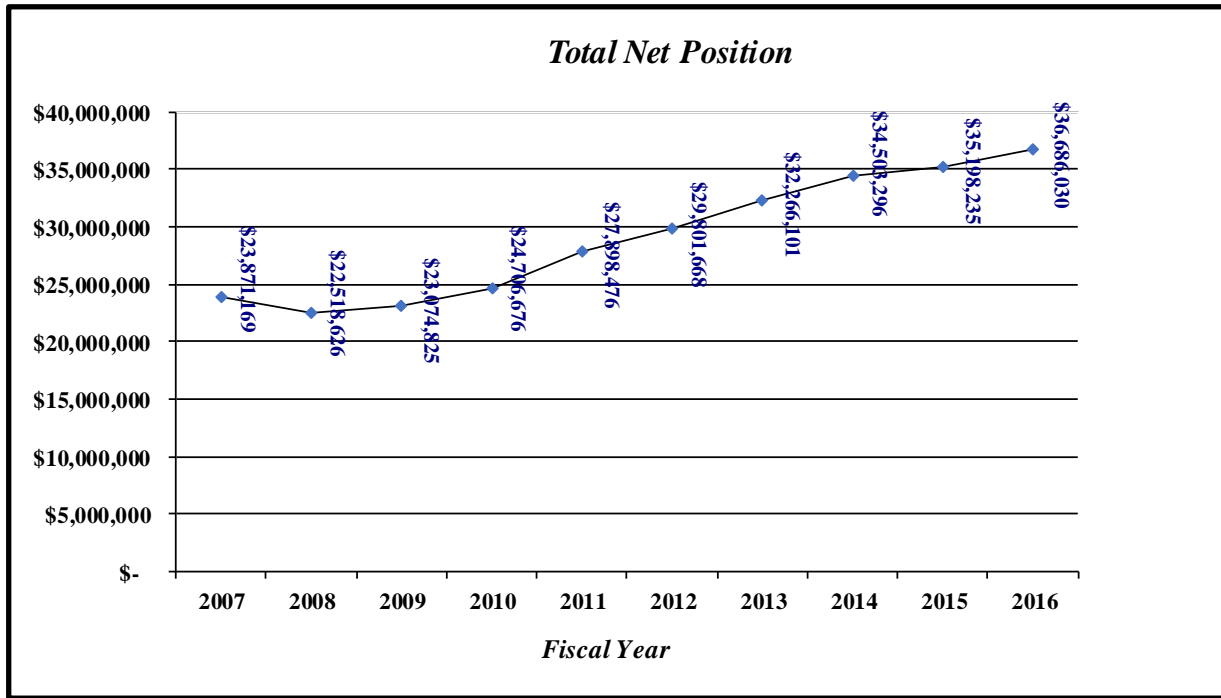
As discussed, the Town reports major funds in the basic financial statements. Combining and individual fund statements and schedules for nonmajor funds are presented in a supplementary information section of this report beginning on page 70.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

The Town's net position at fiscal year-end is \$36,686,030. The following table provides a summary of the Town's net position:

	Summary of Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets:						
Current assets	\$ 10,773,529	\$ 8,602,700	\$ 5,741,084	\$ 9,535,931	\$ 16,514,613	\$ 18,138,631
Non-current assets						
Capital assets	15,430,657	15,854,217	26,577,691	27,164,932	42,008,348	43,019,149
Total assets	<u>26,204,186</u>	<u>24,456,917</u>	<u>32,318,775</u>	<u>36,700,863</u>	<u>58,522,961</u>	<u>61,157,780</u>
Deferred outflows of resources	1,657,120	771,118	233,106	102,187	1,890,226	873,305
Liabilities:						
Current liabilities	1,473,538	1,748,483	1,139,034	2,048,759	2,612,572	3,797,242
Long-term liabilities	2,899,971	1,576,702	17,732,114	17,729,300	20,632,085	19,306,002
Total liabilities	<u>4,373,509</u>	<u>3,325,185</u>	<u>18,871,148</u>	<u>19,778,059</u>	<u>23,244,657</u>	<u>23,103,244</u>
Deferred inflows of resources	-	208,482	472,500	521,124	472,500	729,606
Net position:						
Net investment in capital assets	15,329,431	15,652,978	9,113,550	8,615,955	24,442,981	24,268,933
Restricted	859,426	893,489	590,245	2,112,459	1,449,671	3,005,948
Unrestricted	7,298,940	5,147,901	3,494,438	2,775,453	10,793,378	7,923,354
Total net position	<u>\$ 23,487,797</u>	<u>\$ 21,694,368</u>	<u>\$ 13,198,233</u>	<u>\$ 13,503,867</u>	<u>\$ 36,686,030</u>	<u>\$ 35,198,235</u>

The following chart reports the Town's total net position balances from fiscal year 2007 - 2016.



Note over the last ten years, the total net position has increased \$12,814,861 or 53.7%.

The Town continues to maintain high current ratios. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 7.3 to 1 as compared to 3.2 to 1 at September 30, 2015. The current ratio for business-type activities is 5 to 1 as compared to 4.7 to 1 at September 30, 2015. Overall, the total current ratio at September 30, 2016 was 6.3 to 1 as compared to 4.8 to 1 at September 30, 2015 or an improvement.

The Town reported positive balances in net position for both governmental and business-type activities. During 2016, net position increased \$1,793,429 for governmental activities and decreased \$305,634 for business-type activities. The Town's overall financial position improved during fiscal year 2016. The Town remains in a strong financial position.

Note that 58.9% of the governmental activities' total assets are tied up in capital assets. The Town uses these capital assets to provide services to its citizens. 82.2% of the business-type activities total assets are included in capital assets. These capital assets provide utility and parking services to the Town's citizens. By combining governmental activities with business-type activities, the Town has invested approximately 71.8% of its total assets in capital assets, as presented in the government-wide statement of net position.

The following table provides a summary of the Town's changes in net position:

	Summary of Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program:						
Charges for services	\$ 3,013,135	\$ 2,545,805	\$ 6,327,686	\$ 6,352,593	\$ 9,340,821	\$ 8,898,398
Operating grants and contributions	301,052	277,331	-	-	301,052	277,331
Capital grants	554,446	141,217	-	-	554,446	141,217
General:						
Property taxes	7,276,466	6,526,267	-	-	7,276,466	6,526,267
Other taxes	2,463,643	2,442,812	-	-	2,463,643	2,442,812
Unrestricted intergovernmental	717,252	713,914	-	-	717,252	713,914
Unrestricted investment earnings	26,988	28,783	220	1,406	27,208	30,189
Miscellaneous	571,559	613,367	-	-	571,559	613,367
Total revenues	14,924,541	13,289,496	6,327,906	6,353,999	21,252,447	19,643,495
Program Expenses:						
General government	3,295,208	3,432,500	-	-	3,295,208	3,432,500
Public safety	5,871,196	5,624,875	-	-	5,871,196	5,624,875
Public works	1,487,590	1,516,329	-	-	1,487,590	1,516,329
Leisure services	2,534,022	2,350,266	-	-	2,534,022	2,350,266
Transportation	381,891	271,284	-	-	381,891	271,284
Interest	3,213	5,475	-	-	3,213	5,475
Water and sewer	-	-	3,150,570	2,987,800	3,150,570	2,987,800
Municipal parking	-	-	1,095,550	954,129	1,095,550	954,129
Sanitation	-	-	1,452,813	1,334,381	1,452,813	1,334,381
Stormwater utility	-	-	492,599	471,517	492,599	471,517
Total expenses	13,573,120	13,200,729	6,191,532	5,747,827	19,764,652	18,948,556
Changes in net position before transfers	1,351,421	88,767	136,374	606,172	1,487,795	694,939
Transfers	442,008	(19,272)	(442,008)	19,272	-	-
Changes in net position after transfers	1,793,429	69,495	(305,634)	625,444	1,487,795	694,939
Beginning net position	21,694,368	21,624,873	13,503,867	12,878,423	35,198,235	34,503,296
Ending net position	\$ 23,487,797	\$ 21,694,368	\$ 13,198,233	\$ 13,503,867	\$ 36,686,030	\$ 35,198,235

Governmental Activities Revenues

The Town is heavily reliant on property taxes to support governmental operations. Property taxes provided 48.8% of the Town's total revenues as compared to 49.1% in fiscal year 2015. Other taxes, which includes resort, franchise, utility and communications taxes provided 16.5% of the Town's total revenues as compared to 18.4% in fiscal year 2015. The charges for services increased \$467,330 or 18.4% due primarily to increased building permit revenue from increased building and increased fines from red light cameras.

Note that program revenues covered 28.5% of governmental operating expenditures as compared to 22.5% in fiscal year 2015. This means that the government's taxpayers and the Town's other general revenues normally fund 71.5% of the governmental activities, primarily from property taxes, other taxes and unrestricted intergovernmental revenue. As a result, the general economy and the success of local businesses have a major impact on the Town's revenue streams.

Governmental Activities Expenses

The following table presents the cost of each of the Town's services, including the net costs (i.e., total cost less program revenues generated by the activities). The net costs illustrate the financial burden that is placed on the Town's taxpayers by each of these services.

	Governmental Activities			
	<u>Total Cost of Services</u>	<u>Percentage of Total</u>	<u>Net Cost of Services</u>	<u>Percentage of Total</u>
General government	\$ 3,295,208	24.3%	\$ 2,062,013	21.2%
Public safety	5,871,196	43.3%	4,660,507	48.0%
Public works	1,487,590	11.0%	933,144	9.6%
Leisure services	2,534,022	18.7%	1,894,147	19.5%
Transportation	381,891	2.8%	151,463	1.6%
Interest	3,213	0.0%	3,213	0.0%
Total	<u>\$ 13,573,120</u>	<u>100.0%</u>	<u>\$ 9,704,487</u>	<u>100.0%</u>

The public safety expenditures, both gross and net of program revenues total over 43% of total costs.

Business-Type Activities

The Town reports four major enterprise funds.

Overall Analysis of Major Funds – Total operating revenues decreased \$24,907 or 4/12th of 1%. Operating expenses increased \$660,300 or 13.4%. In total, the operating income decreased \$685,207. The total decrease in net position for all enterprise funds was \$305,634.

The operating income (loss) for each major enterprise fund was as follows for fiscal years 2016 and 2015:

	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease)</u>
Water and sewer	\$ 337,039	\$ 1,109,867	\$ (772,828)
Municipal parking	(8,787)	93,377	(102,164)
Sanitation	252,804	46,980	205,824
Stormwater	168,210	184,249	(16,039)
Total	<u>\$ 749,266</u>	<u>\$ 1,434,473</u>	<u>\$ (685,207)</u>

The following includes an analysis of the fiscal year 2016 financial activities for each fund.

Water and Sewer Fund - The total assets decreased \$858,437 or 3.8% due primarily to a \$747,082 decrease in the net book value of capital assets. Total liabilities decreased \$706,852.

Operating revenues decreased \$403,140 or 11.8% because of a large one-time development fee recognized in fiscal year 2015, which is not duplicated in fiscal year 2016.

In total, operating expenses increased \$369,688 or 15.9%. Personal services increased \$67,395 or 22.1% due to a staff vacancy from the prior year filled in this year. Administration costs increased \$30,933 or 37.8% because of increased professional fees and increased costs of property and liability insurance. Water system costs decreased \$126,908 or 21.7% from fiscal year 2015 due to a true up credit on billing of water purchased from Miami-Dade County Water and Sewer. Sewer system costs decreased \$389,606 or 68.4% due to a billing adjustment from the City of Miami Beach for cost of sewage flow.

Net position decreased \$122,871 or 1.8% in fiscal year 2016, resulting in ending net position of \$6,713,313.

Municipal Parking Fund – The total assets decreased \$3,375 or less than 1%. Capital assets increased \$35,725 and the accumulated depreciation increased \$92,788.

Operating revenues increased \$39,257 or 3.7% and operating expenses increased \$141,421 or 14.8%. Metered and permit parking revenue increased due to more activity and increased demand for parking for workers from large-scale commercial construction projects.

The cost of personal services decreased \$72,850 or 16.9%, due to position vacancies.

In total, operating income decreased \$102,164 or 109.4% in fiscal year 2016 below fiscal year 2015. Net position decreased \$8,787 or less than 1% in fiscal year 2016, resulting in an ending net position of \$3,266,426.

Sanitation Fund - The total assets increased \$396,847 or 77.8%. Capital assets increased approximately \$347,254 due to the purchase of a rear loader garbage truck. Total liabilities increased \$203,087. Operating revenues were \$324,256 or 23.5% above the fiscal year 2015 amount. Administrative costs increased \$30,337 or 14.4% due to the elimination of a full-time position and related benefits.

In total, operating expenses increased \$118,432 or 8.9%.

Operating income increased \$205,824. Net position increased \$252,804 or 68.8% in fiscal year 2016, resulting in an ending net position of \$620,122.

Stormwater Fund - The total assets decreased \$842,397. Cash decreased \$801,749. Net capital assets decreased \$130,350 from fiscal year 2015.

Total liabilities decreased \$403,808. The operating revenues decreased \$14,720 from fiscal year 2015 and the operating expenses increased \$30,759.

As a result, operating income was \$16,039 below fiscal year 2015. Net position decreased \$426,780 in fiscal year 2016, resulting in ending net position of \$2,598,372.

FUND ANALYSIS

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$9,385,340 compared to \$6,984,368 at September 30, 2015.

The total governmental revenues and transfers in exceeded expenditures and transfers out by \$2,400,972. The general fund's revenues exceeded its expenditures and transfers out by \$1,462,682. The capital projects fund's revenues and transfers in exceeded expenditures \$971,449.

Governmental funds report total fund balance of \$9,385,340. Of this year-end total, \$859,426 is restricted. \$2 million is assigned in the General Fund for emergencies and disasters since we are a coastal community subject to hurricane risk and \$1,151,352 is assigned in the Capital Projects Fund for future capital projects. \$204,559 is considered non-spendable and \$5,170,003 is unassigned and available for future appropriation within the General Fund.

The total ending fund balances of governmental funds shows an increase of \$2,400,972 or 34.4% over the prior year.

Major Governmental Funds

The Town reports two major governmental funds, the General Fund and the Capital Projects Fund.

General Fund - The General Fund is the Town's primary operating fund and the largest source of day-to-day service delivery. The General Fund's total fund balance increased \$1,462,682 or 24.8%. The ending assigned and unassigned fund balance is considered adequate, representing the equivalent of 60% of annual expenditures. This compares to 49.3% at September 30, 2015.

Property taxes increased approximately \$750,000 or 11.5% due to an increase in taxable property values of \$166 million or 12.41% from the previous fiscal year. Resort taxes increased \$72,310 or 6.3% as the result of an addition of a new hotel on the ocean that pays 4% on hotel room revenues.

Utility tax revenue increased approximately \$9,410 or 1.6%. Licenses and permits increased approximately \$224,000 or 31.3% over fiscal year 2015 because of an increase from new construction.

Fines and forfeitures increased \$199,685 or 21.2% over the prior year due to red light camera violations. All other revenue streams were consistent with the 2015 amounts.

Total General Fund expenditures decreased \$245,527 above the fiscal year 2015 level. Although most changes are not significant, some of these changes, by department, from fiscal year 2015 are described below.

General government costs were \$82,024 or 2.5% below the 2015 amount.

Public safety expenditures increased \$178,683 or 3.3% due to an increase in extra duty pay to Police Officers working off duty details and an increase in the amount paid to the State of Florida for their share of the Red-Light Camera revenues.

Public works costs decreased \$94,947 or 8.7% due to a reduction of personnel cost from staff changes and reduction of maintenance costs. Leisure services costs were similar to the prior year.

Capital Projects Fund - This fund reported revenue from developer contributions totaling \$354,446. This fund spent \$245,258 on capital items. At September 30, 2016, this fund reported \$1,153,218 in cash and investments. At year-end, this fund reported fund balance of \$1,154,352.

Proprietary Funds

Proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The business-type activities analysis above discusses the Town's enterprise funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund's revenue budget was amended upward in this fiscal year, by \$324,541. In total, actual revenues were above the final budget by \$942,561 or 7.6%.

Property taxes were \$96,550 over budget because of conservative budgeting. Resort taxes were below the budget by \$57,649 because the tax fell short of projections. The largest revenue stream over budget was fines and forfeitures revenue by \$379,865 due to revenue light camera code violations.

Licenses and permits were above budget by \$237,379, due to growth of building activity.

The General Fund's expenditure (excluding transfers) budget was increased \$344,106 or 2.8%. In total, actual expenditures were below the budget by \$649,977.

The executive, finance and administration final budget was underspent by \$443,640 because of operating efficiencies of reduced actual operating expenditures compared to the budget and a delay in hiring staff.

The budget for public safety was over expended by \$130,039. This overage relates to extra pay for police officers working off duty details and the refunding of a portion of the Red Light Camera revenue to the State of Florida.

The leisure services budget was underspent by \$129,477 due to a decrease in actual operating expenditures for the Recreation Programs and the Tourism Services Departments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town's net investment in capital assets, for governmental and business-type activities as of September 30, 2016, was \$15,329,431 and \$9,113,550 respectively. The change in this net investment was a 2.0% decrease for governmental activities and a 5.8% increase for business-type activities. See Note 6 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity:

	Capital Assets					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Non-depreciable assets:						
Land	\$ 1,461,229	\$ 1,461,229	\$ 1,358,011	\$ 1,358,011	\$ 2,819,240	\$ 2,819,240
Construction in progress	128,297	1,261,070	-	60,715	128,297	1,321,785
Total non-depreciable	<u>1,589,526</u>	<u>2,722,299</u>	<u>1,358,011</u>	<u>1,418,726</u>	<u>2,947,537</u>	<u>4,141,025</u>
Depreciable assets:						
Buildings	11,026,367	11,024,416	-	-	11,026,367	11,024,416
Machinery, equipment and furniture	2,845,297	2,957,119	1,412,611	1,089,961	4,257,908	4,047,080
Infrastructure	5,588,764	4,263,220	29,228,018	29,167,301	34,816,782	33,430,521
Total depreciable assets	<u>19,460,428</u>	<u>18,244,755</u>	<u>30,640,629</u>	<u>30,257,262</u>	<u>50,101,057</u>	<u>48,502,017</u>
Less accumulated depreciation	<u>5,619,297</u>	<u>5,112,837</u>	<u>5,420,949</u>	<u>4,511,056</u>	<u>11,040,246</u>	<u>9,623,893</u>
Book value - depreciable assets	<u>13,841,131</u>	<u>13,131,918</u>	<u>25,219,680</u>	<u>25,746,206</u>	<u>39,060,811</u>	<u>38,878,124</u>
Percentage depreciated	<u>29%</u>	<u>28%</u>	<u>18%</u>	<u>15%</u>	<u>22%</u>	<u>20%</u>
Total net capital assets	<u>\$ 15,430,657</u>	<u>\$ 15,854,217</u>	<u>\$ 26,577,691</u>	<u>\$ 27,164,932</u>	<u>\$ 42,008,348</u>	<u>\$ 43,019,149</u>

At September 30, 2016, the depreciable capital assets for governmental activities were 29% depreciated. This compares to the 28% at September 30, 2015. With the Town's business-type activities, 18% of the asset values were depreciated at September 30, 2016 compared to 15% at September 30, 2015. These percentages for governmental activities indicate that the Town is replacing their capital assets at the same rate, as they are being depreciated, which is a positive financial indicator. However, for the business-type activities, they are only 18% depreciated due to the new infrastructure put into place.

Governmental Capital Assets

The increase in the infrastructure transferred from construction in progress totaling \$1,325,544 relates to the replacement of five more seawalls on Biscayne Bay, part of the Seawall Replacement Phase II.

The major equipment additions include the costs for the purchase of Police vehicles (3), Code Enforcement vehicles (2), an all-terrain vehicle, and audio-video equipment in the Commission Chambers.

Business-type Activities Capital Assets

The increase in the infrastructure transferred from construction in progress totaling \$60,715 relates to the completion of a seawall replacement on Biscayne Bay at the end of Carlyle Street, Seawall Phase I.

The specific major equipment included in the \$457,592 addition relates to the purchase of a Solid Waste Grapple Truck, \$157,000, a Solid Waste Garage Truck rear loader, \$222,000, a Sanitary Sewer Pump, \$43,000, a Municipal Parking sign, \$11,000 and a new Pickup Truck.

Debt

The following table reports long-term debt balances at September 30, 2016 and 2015:

	Outstanding Long-term Debt					
	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Revenue bonds	\$ -	\$ -	\$ 9,266,490	\$ 9,866,062	\$ 9,266,490	\$ 9,866,062
Capital leases	101,226	201,239	25,957	38,123	127,183	239,362
State revolving loan	-	-	8,172,054	8,591,249	8,172,054	8,591,249
Compensated absences	362,880	309,375	103,759	110,929	466,639	420,304
Net OPEB obligation	300,781	242,285	42,957	38,562	343,738	280,847
Net pension liability	2,220,433	953,954	298,287	126,401	2,518,720	1,080,355
Total	\$ 2,985,320	\$ 1,706,853	\$ 17,909,504	\$ 18,771,326	\$ 20,894,824	\$ 20,478,179

See Note 7 for additional information about the Town's long-term debt.

A SUMMARY OF THE ECONOMIC CONDITIONS AFFECTING THE TOWN

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline and corporate income taxes. Local governments (towns and cities, counties, school boards) primarily rely on property and an array of permitted other taxes (utility taxes, franchise fees and local business taxes) as well as intergovernmental revenues for their governmental activities.

For business-type activities and certain governmental activities (building/construction services and recreational programs), the user pays a related fee or charge associated with the service. The Town's residents would expect to have a lower unemployment rate than is reported for the county.

Some of the key elements affecting the fiscal year 2016-2017 budget include:

- An increase in Resort Tax revenues from hotels and restaurants.
- An increase in taxable property values.
- No increase in the Solid Waste collection rates to customers.
- Residential and Commercial developments will continue for the next few years.
- Building permit activity for residential and commercial construction will increase.
- The General Fund balance is projected to increase over the next two years.

All of these factors result in a strong financial forecast in fiscal year 2016-2017 and beyond.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Town's finances, comply with finance-related laws and regulations, and demonstrate the Town's commitment to public accountability. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Finance Director, Town of Surfside, 9293 Harding Avenue, Surfside, FL 33154.

BASIC FINANCIAL STATEMENTS

These basic financial statements contain

**Government-wide Financial Statements, Fund Financial
Statements and Notes to the Financial Statements.**

TOWN OF SURFSIDE, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2016

	Governmental Activities	Business- type Activities	Total
Assets			
Cash	\$ 6,379,604	\$ 3,975,293	\$ 10,354,897
Investments	3,465,485	40,535	3,506,020
Receivables	723,881	1,645,597	2,369,478
Prepaid items	204,559	79,659	284,218
Capital assets not being depreciated	1,589,526	1,358,011	2,947,537
Capital assets being depreciated, net	<u>13,841,131</u>	<u>25,219,680</u>	<u>39,060,811</u>
Total Assets	<u>26,204,186</u>	<u>32,318,775</u>	<u>58,522,961</u>
Deferred Outflows of Resources			
Pension	<u>1,657,120</u>	<u>223,106</u>	<u>1,880,226</u>
Liabilities			
Accounts payable	383,839	447,365	831,204
Accrued liabilities	415,170	44,074	459,244
Interest payable	--	218,124	218,124
Retainage payable	--	1,235	1,235
Unearned revenue	27,494	6,492	33,986
Customer deposits	561,686	244,354	806,040
Noncurrent liabilities:			
Due within one year	85,349	1,076,091	1,161,440
Due in more than one year	<u>2,899,971</u>	<u>16,833,413</u>	<u>19,733,384</u>
Total Liabilities	<u>4,373,509</u>	<u>18,871,148</u>	<u>23,244,657</u>
Deferred Inflows of Resources			
Parking Trust Fund	<u>--</u>	<u>472,500</u>	<u>472,500</u>
Total Deferred Inflows of Resources	<u>--</u>	<u>472,500</u>	<u>472,500</u>
Net Position			
Net investment in capital assets	15,329,431	9,113,550	24,442,981
Restricted for:			
Tourism	363,407	--	363,407
Transportation	354,264	--	354,264
Police forfeiture	141,755	--	141,755
Renewal and replacement	--	240,745	240,745
Parking Development	--	25,500	25,500
Loan reserve	--	324,000	324,000
Unrestricted	<u>7,298,940</u>	<u>3,494,438</u>	<u>10,793,378</u>
Total Net Position	<u>\$ 23,487,797</u>	<u>\$ 13,198,233</u>	<u>\$ 36,686,030</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA
STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 3,295,208	\$ 1,233,195	--	--	\$ (2,062,013)	\$ --	\$ (2,062,013)
Public safety	5,871,196	1,140,065	70,624	--	(4,660,507)	--	(4,660,507)
Public works	1,487,590	--	--	554,446	(933,144)	--	(933,144)
Leisure services	2,534,022	639,875	--	--	(1,894,147)	--	(1,894,147)
Transportation	381,891	--	230,428	--	(151,463)	--	(151,463)
Interest on long-term debt	3,213	--	--	--	(3,213)	--	(3,213)
Total Governmental Activities	13,573,120	3,013,135	301,052	554,446	(9,704,487)	--	(9,704,487)
Business-type Activities							
Water and sewer	3,150,570	3,027,479	--	--	--	(123,091)	(123,091)
Municipal parking	1,095,550	1,086,763	--	--	--	(8,787)	(8,787)
Sanitation	1,452,813	1,705,617	--	--	--	252,804	252,804
Stormwater utility	492,599	507,827	--	--	--	15,228	15,228
Total Business-type Activities	6,191,532	6,327,686	--	--	--	136,154	136,154
Total	\$ 19,764,652	\$ 9,340,821	\$ 301,052	\$ 554,446	(9,704,487)	136,154	(9,568,333)
General Revenues							
Taxes							
Property taxes					7,276,466	--	7,276,466
Resort taxes					1,226,351	--	1,226,351
Franchise fees based on gross receipts					424,878	--	424,878
Utility taxes					577,872	--	577,872
Communications services tax					234,542	--	234,542
Unrestricted intergovernmental revenues					717,252	--	717,252
Unrestricted investment earnings					19,488	220	19,708
Miscellaneous revenues					579,059	--	579,059
Transfers					442,008	(442,008)	--
Total General Revenues and Transfers					11,497,916	(441,788)	11,056,128
Change in Net Position					1,793,429	(305,634)	1,487,795
Net Position - Beginning					21,694,368	13,503,867	35,198,235
Net Position - Ending					\$ 23,487,797	\$ 13,198,233	\$ 36,686,030

The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA

**BALANCE SHEET
GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2016

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash	\$ 4,592,912	\$ 936,735	\$ 849,957	\$ 6,379,604
Investments	3,236,519	216,483	12,483	3,465,485
Receivables	580,878	15,000	128,003	723,881
Due from other funds	2,050	--	--	2,050
Prepaid items	<u>198,405</u>	<u>3,000</u>	<u>3,154</u>	<u>204,559</u>
Total Assets	<u>\$ 8,610,764</u>	<u>\$ 1,171,218</u>	<u>\$ 993,597</u>	<u>\$ 10,775,579</u>
Liabilities				
Accounts payable	\$ 239,770	\$ 16,866	\$ 127,203	\$ 383,839
Accrued liabilities	414,006	--	1,164	415,170
Due to other funds	--	--	2,050	2,050
Unearned revenue	26,894	--	600	27,494
Customer deposits	<u>561,686</u>	<u>--</u>	<u>--</u>	<u>561,686</u>
Total Liabilities	<u>1,242,356</u>	<u>16,866</u>	<u>131,017</u>	<u>1,390,239</u>
Fund Balances				
Non-spendable:				
Prepaid items	198,405	3,000	3,154	204,559
Restricted for:				
Tourism	--	--	363,407	363,407
Transportation surtax	--	--	354,264	354,264
Police forfeiture	--	--	141,755	141,755
Assigned for:				
Hurricanes and emergencies	2,000,000	--	--	2,000,000
Capital projects	--	1,151,352	--	1,151,352
Unassigned	<u>5,170,003</u>	<u>--</u>	<u>--</u>	<u>5,170,003</u>
Total Fund Balances	<u>7,368,408</u>	<u>1,154,352</u>	<u>862,580</u>	<u>9,385,340</u>
Total Liabilities and Fund Balances	<u>\$ 8,610,764</u>	<u>\$ 1,171,218</u>	<u>\$ 993,597</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	15,430,657
Deferred outflows of resources related to pensions are recorded in the statement of net position	1,657,120
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences	(362,880)
Capital lease	(101,226)
Net pension liability	(2,220,433)
Net OPEB obligation	<u>(300,781)</u>

Net Position of Governmental Activities \$ 23,487,797

The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 7,276,466	\$ --	\$ --	\$ 7,276,466
Resort taxes	1,226,351	--	639,875	1,866,226
Utility taxes	577,872	--	--	577,872
Communications services tax	234,542	--	--	234,542
Franchise fees	424,878	--	--	424,878
Licenses and permits	939,870	--	--	939,870
Intergovernmental	717,252	--	230,428	947,680
Charges for services	293,325	--	--	293,325
Fines and forfeitures	1,140,065	--	70,624	1,210,689
Developer fees	--	554,446	--	554,446
Interest earnings	17,913	1,169	406	19,488
Miscellaneous	571,559	--	7,500	579,059
Total Revenues	<u>13,420,093</u>	<u>555,615</u>	<u>948,833</u>	<u>14,924,541</u>
Expenditures				
Current:				
General government	3,159,302	--	--	3,159,302
Public safety	5,520,988	--	33,153	5,554,141
Public works	1,113,789	--	--	1,113,789
Leisure services	1,841,022	--	620,862	2,461,884
Transportation	--	--	310,767	310,767
Capital outlay	--	245,258	17,210	262,468
Debt service:				
Principal	100,013	--	--	100,013
Interest and fiscal charges	3,213	--	--	3,213
Total Expenditures	<u>11,738,327</u>	<u>245,258</u>	<u>981,992</u>	<u>12,965,577</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,681,766</u>	<u>310,357</u>	<u>(33,159)</u>	<u>1,958,964</u>
Other Financing Sources (Uses)				
Transfers in	--	661,092	--	661,092
Transfers out	(219,084)	--	--	(219,084)
Total Other Financing Sources (Uses)	<u>(219,084)</u>	<u>661,092</u>	<u>--</u>	<u>442,008</u>
Net Change in Fund Balances	1,462,682	971,449	(33,159)	2,400,972
Fund Balances - Beginning	<u>5,905,726</u>	<u>182,903</u>	<u>895,739</u>	<u>6,984,368</u>
Fund Balances - Ending	<u>\$ 7,368,408</u>	<u>\$ 1,154,352</u>	<u>\$ 862,580</u>	<u>\$ 9,385,340</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Amounts reported for governmental activities in the statement of activities (Page 17) are different because:

Net change in fund balances - total governmental funds (Page 19) \$ 2,400,972

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

The details of the difference are as follows:

Capital outlay	\$ 442,691	
Depreciation and amortization	<u>(821,889)</u>	
Net adjustment		(379,198)
Loss on disposal of capital assets		(44,361)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources to governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

This detail of the difference is as follows:

Payment of principal on capital lease	100,013
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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 detail of the difference is as follows:

Compensated absences	(53,505)	
Net pension liability	(171,995)	
Net OPEB obligation	<u>(58,497)</u>	
Net adjustment		<u>(283,997)</u>

Change in net position of governmental activities (Page 17)	<u>\$ 1,793,429</u>
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The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Funds				
	Water and Sewer	Municipal Parking	Sanitation	Stormwater Utility	Totals
Assets					
Current Assets					
Cash	\$ --	\$ 1,157,676	\$ 226,964	\$ 2,590,653	\$ 3,975,293
Investments	40,535	--	--	--	40,535
Receivables	704,413	505,700	327,812	107,672	1,645,597
Due from other funds	--	--	--	1,096,671	1,096,671
Prepaid items	20,747	27,424	20,881	10,607	79,659
Total Current Assets	<u>765,695</u>	<u>1,690,800</u>	<u>575,657</u>	<u>3,805,603</u>	<u>6,837,755</u>
Noncurrent Assets					
Capital Assets					
Land	--	1,358,011	--	--	1,358,011
Infrastructure	24,197,722	1,447,360	--	3,582,936	29,228,018
Equipment	291,340	499,049	622,222	--	1,412,611
	24,489,062	3,304,420	622,222	3,582,936	31,998,640
Less: accumulated depreciation	(3,633,035)	(1,175,435)	(248,041)	(364,438)	(5,420,949)
Total Capital Assets, Net	<u>20,856,027</u>	<u>2,128,985</u>	<u>374,181</u>	<u>3,218,498</u>	<u>26,577,691</u>
Total Noncurrent Assets	<u>20,856,027</u>	<u>2,128,985</u>	<u>374,181</u>	<u>3,218,498</u>	<u>26,577,691</u>
Total Assets	<u>21,621,722</u>	<u>3,819,785</u>	<u>949,838</u>	<u>7,024,101</u>	<u>33,415,446</u>
Deferred Outflows of Resources					
Pension	42,507	73,094	89,992	17,513	223,106
Liabilities					
Current Liabilities					
Accounts payable	213,040	27,328	203,436	3,561	447,365
Accrued liabilities	30,859	4,788	7,130	1,297	44,074
Due to other funds	1,096,671	--	--	--	1,096,671
Interest payable	163,593	--	--	54,531	218,124
Retainage payable	1,235	--	--	--	1,235
Current portion capital lease payable	12,747	--	--	--	12,747
Current portion of revenue bonds payable	470,902	--	--	156,967	627,869
Current portion of state revolving loan payable	318,824	--	--	106,275	425,099
Compensated absences	2,701	1,166	6,433	76	10,376
Unearned revenue	--	6,492	--	--	6,492
Customer deposits	244,354	--	--	--	244,354
Total Current Liabilities	<u>2,554,926</u>	<u>39,774</u>	<u>216,999</u>	<u>322,707</u>	<u>3,134,406</u>
Noncurrent Liabilities					
Net OPEB obligation	12,729	6,066	23,987	175	42,957
Net pension liability	56,562	97,617	120,828	23,280	298,287
Compensated absences	24,307	10,496	57,894	686	93,383
Capital lease payable	13,210	--	--	--	13,210
Revenue bonds payable	6,478,966	--	--	2,159,655	8,638,621
State revolving loan payable	5,810,216	--	--	1,936,739	7,746,955
Total Noncurrent Liabilities	<u>12,395,990</u>	<u>114,179</u>	<u>202,709</u>	<u>4,120,535</u>	<u>16,833,413</u>
Total Liabilities	<u>14,950,916</u>	<u>153,953</u>	<u>419,708</u>	<u>4,443,242</u>	<u>19,967,819</u>
Deferred Inflows of Resources					
Parking Trust Fund	--	472,500	--	--	472,500
Net Position					
Net investment in capital assets	7,751,522	2,128,985	374,181	(1,141,138)	9,113,550
Restricted for renewal and replacement	208,560	--	--	32,185	240,745
Restricted for loan reserve	243,000	--	--	81,000	324,000
Restricted for parking development	--	25,500	--	--	25,500
Unrestricted	(1,489,769)	1,111,941	245,941	3,626,325	3,494,438
Total Net Position	<u>\$ 6,713,313</u>	<u>\$ 3,266,426</u>	<u>\$ 620,122</u>	<u>\$ 2,598,372</u>	<u>\$ 13,198,233</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Funds				Totals
	Water and Sewer	Municipal Parking	Sanitation	Stormwater Utility	
Operating Revenues					
Charges for services:					
Water sales	\$ 1,653,233	\$ --	\$ --	\$ --	\$ 1,653,233
Sewer charges	1,372,530	--	--	--	1,372,530
Parking fees	--	1,086,763	--	--	1,086,763
Solid waste fees	--	--	1,547,604	--	1,547,604
Recycling fees	--	--	125,181	--	125,181
Drainage fees	--	--	--	507,827	507,827
Miscellaneous	1,716	--	32,832	--	34,548
Total Operating Revenues	<u>3,027,479</u>	<u>1,086,763</u>	<u>1,705,617</u>	<u>507,827</u>	<u>6,327,686</u>
Operating Expenses					
Personal services	371,936	504,317	713,935	145,348	1,735,536
Administrative	112,686	498,445	240,518	63,916	915,565
Water system	456,606	--	--	--	456,606
Sewer system	959,227	--	--	--	959,227
Solid waste system	--	--	474,811	--	474,811
Depreciation	789,985	92,788	23,549	130,353	1,036,675
Total Operating Expenses	<u>2,690,440</u>	<u>1,095,550</u>	<u>1,452,813</u>	<u>339,617</u>	<u>5,578,420</u>
Operating Income (Loss)	<u>337,039</u>	<u>(8,787)</u>	<u>252,804</u>	<u>168,210</u>	<u>749,266</u>
Nonoperating Revenues (Expenses)					
Interest earnings	220	--	--	--	220
Interest expense	(460,130)	--	--	(152,982)	(613,112)
Total Nonoperating Revenues (Expenses)	<u>(459,910)</u>	<u>--</u>	<u>--</u>	<u>(152,982)</u>	<u>(612,892)</u>
Income Before Transfers	(122,871)	(8,787)	252,804	15,228	136,374
Transfers out	--	--	--	(442,008)	(442,008)
Change in Net Position	(122,871)	(8,787)	252,804	(426,780)	(305,634)
Net Position - Beginning	<u>6,836,184</u>	<u>3,275,213</u>	<u>367,318</u>	<u>3,025,152</u>	<u>13,503,867</u>
Net Position - Ending	<u>\$ 6,713,313</u>	<u>\$ 3,266,426</u>	<u>\$ 620,122</u>	<u>\$ 2,598,372</u>	<u>\$ 13,198,233</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Funds				Totals
	Water and Sewer	Municipal Parking	Sanitation	Stormwater Utility	
Cash Flows from Operating Activities					
Receipts from customers	\$ 2,954,833	\$ 1,070,063	\$ 1,763,607	\$ 500,683	\$ 6,289,186
Payments to other funds	--	--	--	(74,726)	(74,726)
Payments to suppliers	(1,713,336)	(455,069)	(567,156)	(121,551)	(2,857,112)
Payments to employees	(347,140)	(498,850)	(728,392)	(144,774)	(1,719,156)
Receipts from other funds	74,726	--	--	--	74,726
Net Cash Provided by Operating Activities	<u>969,083</u>	<u>116,144</u>	<u>468,059</u>	<u>159,632</u>	<u>1,712,918</u>
Cash Flows from Noncapital Financing Activities					
Transfers out	--	--	--	(442,008)	(442,008)
Net Cash Used by Noncapital Financing Activities	<u>--</u>	<u>--</u>	<u>--</u>	<u>(442,008)</u>	<u>(442,008)</u>
Cash Flows from Capital and Related Financing Activities					
Acquisition and construction of capital assets	(42,903)	(35,725)	(378,964)	(9,760)	(467,352)
Proceeds from sale of capital assets	--	--	8,161	--	8,161
Principal payments	(677,722)	--	--	(353,211)	(1,030,933)
Interest expense and debt related costs	(470,391)	--	--	(156,402)	(626,793)
Net Cash Used by Capital and Related Financing Activities	<u>(1,191,016)</u>	<u>(35,725)</u>	<u>(370,803)</u>	<u>(519,373)</u>	<u>(2,116,917)</u>
Cash Flows from Investing Activities					
Interest earnings	220	--	--	--	220
Purchases of investments	(218)	--	--	--	(218)
Net Cash Provided by Investing Activities	<u>2</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2</u>
Net Increase (Decrease) in Cash	(221,931)	80,419	97,256	(801,749)	(846,005)
Cash - Beginning	<u>221,931</u>	<u>1,077,257</u>	<u>129,708</u>	<u>3,392,402</u>	<u>4,821,298</u>
Cash - Ending	<u>\$ --</u>	<u>\$ 1,157,676</u>	<u>\$ 226,964</u>	<u>\$ 2,590,653</u>	<u>\$ 3,975,293</u>

(Continued)

The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
(Continued)**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Funds				
	Water and Sewer	Municipal Parking	Sanitation	Stormwater Utility	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating income (loss)	\$ 337,039	\$ (8,787)	\$ 252,804	\$ 168,210	\$ 749,266
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	789,985	92,788	23,549	130,353	1,036,675
Changes in assets and liabilities:					
(Increase) decrease in:					
Receivables	(95,069)	4,300	57,990	(7,144)	(39,923)
Prepaid items	(15,289)	22,431	(10,327)	(7,832)	(11,017)
Deferred outflows - pension	(23,614)	(40,028)	(47,569)	(9,708)	(120,919)
Due from other funds	--	--	--	(74,726)	(74,726)
Increase (decrease) in:					
Accounts payable	(88,854)	20,945	158,500	(49,803)	40,788
Accrued liabilities	15,842	(11,051)	(13,641)	(1,830)	(10,680)
Unearned revenue	--	6,492	--	--	6,492
Due to other funds	74,726	--	--	--	74,726
Retainage payable	(80,674)	--	--	--	(80,674)
Compensated absences	3,412	1,419	(12,374)	373	(7,170)
Net pension liability	33,226	56,672	68,323	13,665	171,886
Net OPEB obligation	1,030	911	2,279	175	4,395
Deferred inflows - pensions	(5,100)	(8,948)	(11,475)	(2,101)	(27,624)
Deferred inflows - parking trust fund	--	(21,000)	--	--	(21,000)
Customer deposits	22,423	--	--	--	22,423
Total adjustments	632,044	124,931	215,255	(8,578)	963,652
Net Cash Provided by Operating Activities	\$ 969,083	\$ 116,144	\$ 468,059	\$ 159,632	\$ 1,712,918

The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION

SEPTEMBER 30, 2016

Assets

Investments

Money market funds	\$ 345,158
Certificates of deposit	397,529
U.S. Treasury securities	285,384
U.S. Government agency bonds	592,439
Municipal obligations	117,639
Corporate bonds	3,680,385
Mortgage backed securities	316,351
Equities	
Common stock and American depositary receipts and exchange traded funds	9,846,158
Mutual funds	1,484,142
Real estate investment trusts	48,077
Master limited partnerships	653,545
Core real estate fund	<u>996,008</u>

Total Investments 18,762,815

Receivables

Accrued interest and dividends	55,454
Employee contributions	22,146
Other receivables	<u>21,972</u>

Total Receivables 99,572

Prepaid Expenses 1,500

Total Assets 18,863,887

Liabilities and Net Position

Accounts payable	80,555
Refunds due to members	<u>31,881</u>

Total Liabilities 112,436

Net Position Restricted for Pension Benefits \$ 18,751,451

The accompanying notes are an integral part of these financial statements.

TOWN OF SURFSIDE, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Additions

Contributions

Plan members	\$ 383,619
Town	<u>757,304</u>
	<u>1,140,923</u>

Investment Income

Net appreciation in fair value of investments	1,482,313
Interest and dividends	<u>458,616</u>
	1,940,929
Less investment expenses	<u>(90,514)</u>

Net Investment Income 1,850,415

Total Additions 2,991,338

Deductions

Benefit payments	584,718
Refunds of contributions	17,972
Administrative expenses	<u>130,686</u>

Total Deductions 733,376

Net Increase in Net Position 2,257,962

Net Position Restricted for Pension Benefits- Beginning 16,493,489

Net Position Restricted for Pension Benefits - Ending \$ 18,751,451

The accompanying notes are an integral part of these financial statements.

**NOTES TO BASIC
FINANCIAL STATEMENTS**

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Surfside, Florida (the Town) was incorporated on May 19, 1935. The Town of Surfside's Charter was adopted under the provisions of Chapter 27914, Laws of Florida, 1951. The Town is governed by an elected five-member Town Commission and operates under a commissioner-manager form of government. The Town provides services to its approximately 6,000 residents in many areas including general government and administrative services, public safety (police), physical environment, solid waste collection, transportation (maintenance of roads and streets), culture and recreation, tourism development, water/sewer and stormwater utilities.

The summary of the Town's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the Town 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 Town's accounting policies are described below:

A. FINANCIAL REPORTING ENTITY

In accordance with accounting principles generally accepted in the United States of America, these financial statements present the Town and its organizations for which the Town is considered financially accountable. Financial accountability includes 1) the appointment of a voting majority of the organization's governing body, 2) the ability of the primary government to impose its will on the organization, or 3) if there is a financial benefit/burden relationship. In addition, an organization, which is fiscally dependent on the primary government, should be included in its reporting entity. Based on the application of these criteria, there were no organizations that met the criteria described above.

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 nonfiduciary activities of the Town. The effect of interfund activity has been removed from these statements with the exception of interfund services provided and used which are not eliminated. *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.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

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

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining nonmajor governmental funds are aggregated and reported as other governmental funds.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, reconciliations are provided to briefly explain the adjustments necessary to reconcile the governmental fund financial statements to the government-wide governmental activities financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Expenditures generally are recorded when a liability is incurred, as required by accrual accounting, except for expenditures related to compensated absences, which are recorded when payment is due.

Property taxes and other taxes (such as franchise taxes, utilities taxes, and sales tax), charges for services, intergovernmental revenue, 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. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The reporting practices of the proprietary fund types closely parallel comparable commercial financial reporting, which recognize revenue when earned and expenses when incurred (the accrual basis) including, in the case of the enterprise funds, depreciation on its exhaustible capital assets. Earned, but unbilled service receivables have been accrued as revenue in the enterprise funds.

GAAP sets forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenue or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are presented in the combining and individual fund statements and schedules section.

The Town reports the following major governmental funds:

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

The *Capital Projects Fund* is used to account for the capital projects of the Town which have received the approval of the Town Commission. Transfers from the general and other funds are made to this fund to cover such expenditures.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. *MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)*

The Town reports the following major proprietary funds:

The *Water and Sewer Fund* is used to account for water and sewer utility operations, which are financed and operated in a manner similar to private business enterprises. The intent of the Town is that the costs (expenses including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

The *Municipal Parking Fund* accounts for all parking revenues and expenses. Parking citation revenue is allocated to the General Fund.

The *Sanitation Fund* is used to account for the activities of the Town residential, multi-family, and commercial refuse and recycling.

The *Stormwater Utility Fund* is used to account for the stormwater utility fees, which are collected to construct, operate, and maintain a stormwater management system.

Additionally, the government reports the following fund type:

The *Pension Trust Fund* is used to account for the Town's single-employer defined benefit pension plan (the Plan) covering substantially all of its employees (The Retirement Plan for the Employees of the Town of Surfside).

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Town's enterprise functions and various other functions of the Town for services rendered. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Proprietary Funds distinguish *operating revenues* and *expenses* from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues and expenses of the Town's enterprise funds are charges to customers for services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Implementation of Governmental Accounting Standards Board Statements

The Town implemented the following GASB Statements during the fiscal year ended September 30, 2016:

GASB Statement No. 72, Fair Value Measurement and Application

This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB Statement No. 79, Certain External Investment Pools and Pool Participants.

This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes.

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE

1. Deposits and Investments

The Town utilizes a pooled cash account for cash of all Town funds other than those that are required to be physically segregated. The pooled cash account concept allows each participating fund to benefit from the economies of scale and improved yield which are inherent to a larger investment pool. Formal accounting records detail the individual equities of the participating funds. The pooled cash system utilizes a single checking account for Town receipts and disbursements with a separate checking account for payroll disbursements.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (CONTINUED)

1. Deposits and Investments (continued)

The Town's cash includes cash on hand, demand deposits, and investments with Florida PRIME administered by the State Board of Administration.

The Town's investment policy follows the requirements of Florida Statutes Chapter 218.415, *Local Government Investment Policies*, and attempts to promote, in order of priority, safety of principal, adequate liquidity, and maximization of total return. Investments in the Town of Surfside's local government surplus funds are governed by the provisions of Florida Statutes Section 218.415. Investments in the Town's pension trust fund are governed by the Plan's investment policy and Florida Statutes Section 112.661. All investments of the Town and the pension trust fund, except Florida PRIME, are reported at fair value using quoted market prices. The Florida PRIME is recorded at its value of the pool shares, which is amortized cost.

2. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of the interfund loans).

3. Receivables

Receivables include amounts due from other governments and others for services provided by the Town. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of receivables.

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the fund financial statements. Prepaid items are accounted for under the purchases method.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (CONTINUED)

5. Capital Assets

Capital assets include property, buildings, machinery, furniture and equipment, intangible and infrastructure assets (e.g., sidewalks and other similar items), which are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the Town as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year, except for infrastructure and intangible assets for which the Town utilizes a \$25,000 capitalization threshold. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition 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. The Town was not required to and did not retroactively report infrastructure assets acquired prior to the implementation of GASB Statement No. 34.

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 assets constructed. There was no capitalized interest for fiscal year ended September 30, 2016.

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

Assets	Years
Buildings	15-50
Machinery, furniture and equipment	5-10
Infrastructure	10-30
Intangibles	10-30

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (CONTINUED)

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Town reports within its government-wide statement of net position as deferred outflows amounts contributed during fiscal year 2016 into The Retirement Plan for the Employees of the Town of Surfside. The net pension liability associated with the Plan was measured as of September 30, 2015. The amounts paid during fiscal year 2016 to the Plan will be reflected within the Town's pension expense and related liability when the net pension liability is measured for the next fiscal year.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one item that qualifies for reporting in this category. The proprietary funds statement of net position includes a parking trust fund agreement. These amounts are deferred and recognized as an inflow of resources in the period that they are earned.

7. Compensated Absences

The Town's policy is to permit employees to accumulate earned but unused sick as well as vacation pay benefits, limited to certain maximums. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences of the governmental funds are typically liquidated from the general fund.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable business-type activities or proprietary fund type statement of net position.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (CONTINUED)

9. Fund Balance

The Town follows the criteria for classifying governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. The Town's accounting and financial policies are used to interpret the nature and/or requirements of the funds and their corresponding classification of nonspendable, restricted, committed, assigned or unassigned.

The following are the fund balance classifications:

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

Restricted fund balance. Restricted fund balances are amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. Committed fund balances can only be used for the specific purposes determined by a formal action (ordinance or resolution, which are equally binding) of the Town Commission, the Town's highest level of decision making authority. Commitments may be changed or lifted only by the Town Commission taking the same formal action (ordinance or resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance. Assigned fund balances are amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. Intent is established by management of the Town to which the Commission has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. There is no formal policy through which this authority has been established. Specific amounts that are not restricted or committed in a special revenue or capital projects fund are assigned for the purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the Town itself.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (CONTINUED)

9. Fund Balance (continued)

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

10. Fund Balance Flow Assumptions

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

11. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the Town's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

12. Net Position

Net position of the government-wide and proprietary funds is categorized as net investment in capital assets, restricted or unrestricted. The net investment in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding related debt and deferred inflows/outflows of resources incurred to acquire, construct or improve those assets,

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (CONTINUED)

12. Net Position (continued)

excluding unexpended proceeds. Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of either of the other two components.

13. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources, liabilities and deferred inflows of resources, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results may differ from management's estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS

DEPOSITS - TOWN

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer, or any other banking institution, eligible collateral of the depository. 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.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS – TOWN

The Town's investment policy authorizes Town officials to invest in those instruments authorized by the Florida Statutes and the Town's investment policy, including the certificates of deposit and money market funds (placed with "qualified public depositories"); U.S. Treasury and Government Agency securities; corporate bonds; commercial paper; mutual funds; repurchase agreements; and the Florida PRIME.

Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. Florida PRIME invests in a pool of investments whereby the Town owns a share of the respective pool, not the underlying securities. GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants* establishing criteria for an external investment pool to qualify to report at amortized cost. Florida PRIME is exempt from the GASB 72 fair value hierarchy disclosures and reports at amortized cost.

With regard to redemption dates, Chapter 218.409(8) (a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the Executive Director may extend the moratorium until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set be the Trustee exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2016, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS – TOWN (CONTINUED)

The investment in the Florida PRIME is not insured by FDIC or any other governmental agency.

As of September 30, 2016, the Town had the following investment subject to interest rate risk:

	Reported Value	Weighted Average Maturity
Investments		
Florida PRIME	\$ 3,506,020	50 days

Florida PRIME is presented as investments in the financial statements.

Interest Rate Risk

The Town has an investment policy to invest in a manner that is consistent with sound business practices in order to protect the assets of the Town residents, provide effective cash management to meet anticipated obligations and earn a rate of return consistent with these inherent restraints. Safety of capital and liquidity are also inherent in the Town's policy. The policy is structured to provide sufficient liquidity to pay obligations as they come due. The Town's investment policy limits the maturities to no more than 7 years for direct United States obligations and to no more than 5 years for United States agency obligations and corporate obligations. Term repurchase agreements are limited to maturities of 90 days or less and certificate of deposits are limited to 2 years or less.

Credit Risk

The Town's investment policy limits investments to the highest ratings issued by a nationally recognized statistical rating organization (NRSRO). The Florida PRIME is rated AAAM by Standard and Poor's.

Concentration of Credit Risk

The Town's investment policy states that assets shall be diversified to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issue, dealer, or bank through which these securities are bought and sold. As of September 30, 2016, the Town's portfolio did not have any investments subject to a concentration of credit risk.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS – PENSION TRUST FUND

The investment activity of the Plan is directed by an investment advisory firm. All investments made or held by the Plan shall be limited to the following:

1. Cash equivalents.
2. Obligations issued by the United States Government or obligations guaranteed as to principal and interest by the United States Government or by an agency of the United States Government.
3. Bonds issued by the State of Israel. Foreign equity investments shall not exceed 10% of the Plan assets.
4. Bonds or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States or any state, organized territory of the United States, or District of Columbia provided the corporation is listed on the recognized national stock exchanges or on the National Market System of the NASDAQ stock market, the issuer has an investment quality rating within the top three rating classifications by at least two major services (Standard and Poor's, Moody's or Fitch). Up to 10% of the bond portfolio may be invested in the fourth rating classification (by two of the above rating services).
5. Equity investments (common stock, convertible bonds and preferred stocks) in a corporation listed on one or more of the recognized national exchanges or on the National Market System of the NASDAQ stock market and ETF exchange-traded funds.
6. Commingled equity, bond, real estate, or money market funds whose investments are restricted to securities meeting the criteria of this section. Investments in equities are not to exceed 70% of the Plan assets at market, and no more than 5% at cost of the equities may be invested in a single company.
7. Master Limited Partnerships.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS – PENSION TRUST FUND (CONTINUED)

Investments held in trust for Plan benefits consist of the following at September 30, 2016:

	<u>Reported Value</u>
Investments	
Money market funds	\$ 345,158
Certificates of deposit	397,529
U.S. Treasury securities	285,384
U.S. Government agency bonds	592,439
Municipal obligations	117,639
Corporate bonds	3,680,385
Mortgage backed securities	316,351
Equities	
Common stock and American depository receipts and exchange traded funds	9,846,158
Mutual funds	1,484,142
Real estate investment trusts	48,077
Master limited partnerships	653,545
Core real estate fund	996,008
Total	\$ 18,762,815

As of September 30, 2016, the Plan had the following investment types subject to interest rate risk:

Investment Type	Fair Value	Sector Distribution
Corporate bonds	\$ 3,680,385	73.7%
Municipal obligations	117,639	2.4%
U.S. Government agency bonds	592,439	11.9%
U.S. Treasury securities	285,384	5.7%
Mortgage backed securities	316,351	6.3%
Total Fair Value	\$ 4,992,198	

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS – PENSION TRUST FUND (CONTINUED)

Maturity Distribution		Credit Quality Distribution	
Years	% of Fixed Income Securities	Rating	% of Fixed Income Securities
0-1	2.0%	AAA	2.0%
1-5	52.5%	AA	44.4%
5-10	29.3%	A	38.4%
10+	<u>16.2%</u>	BBB	10.1%
	<u>100.0%</u>	Not Rated	<u>5.1%</u>
			<u>100.0%</u>

Interest Rate Risk

In accordance with its investment policy, the Plan manages its exposure to declines in the fair value of its securities through a conservative approach of managing portfolio exposure to duration, maturity and sector relative to market indices.

Credit Risk

State law limits investments in commercial paper to the two top ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the Plan's policy to limit its investments in this investment type to the top two ratings issued by NRSROs. As of September 30, 2016, the Plan's investments in the U.S. Treasury Securities were rated AAA by Standard & Poor's, and Aaa by Moody's Investors Service. The Investment Policy of the Plan states it is permitted to invest in corporate bonds with an investment quality rating with rating with the top three rating classifications by at least two major rating services (Standards & Poor, Moody's or Fitch). The corporate bonds held by the Plan were in the top three rating classifications. The mortgage backed securities were rated AAA and Aaa by Standard & Poor's, and Moody's, respectively.

Concentration of Credit Risk

The Plan's investment policy does not allow for an investment in any one issuer, other than U.S. Government securities, that is in excess of five percent of the Plan's total investments. No investment in any one organization represents five percent or more of total fiduciary net position.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS – PENSION TRUST FUND (CONTINUED)

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the securities, whether fixed or equities are held in the name of the Plan.

FAIR VALUE HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 - Investments' fair values based on prices quoted in active markets for identical assets.

Level 2 - Investments' fair values based on observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.

Level 3 - Investments' fair values based upon unobservable inputs.

The following is a description of the fair value techniques for the Plan's investments. Level 1 and 2 prices are obtained from various pricing sources by the Plan's custodian bank:

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. This includes U.S. Treasury securities, domestic and foreign common stock, american depository receipts (ADR), and exchange traded funds (ETF).

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE HIERARCHY (CONTINUED)

Debt and equity securities classified in Level 2 of the fair value hierarchy are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity. This includes U.S. Government Agency bonds, corporate bonds, municipal bonds and mortgage backed securities.

Money market funds are reported at amortized cost.

The following is a summary of the fair value hierarchy of investments as of September 30, 2016:

	Fair Value Measurements Using			
	9/30/2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt securities				
U.S. Treasury securities	\$ 285,384	\$ 285,384	\$ --	\$ --
Corporate bonds	3,680,385	858,767	2,821,618	--
Municipal obligations	117,639	--	117,639	--
Mortgage backed securities	316,351	--	316,351	--
U.S. Government agency bonds	592,439	--	592,439	--
Total debt securities	<u>4,992,198</u>	<u>1,144,151</u>	<u>3,848,047</u>	<u>--</u>
Equity securities				
Common stock, ADR's, and ETF's	9,846,158	9,846,158	--	--
Mutual funds	1,484,142	1,484,142	--	--
Real Estate Investment Trusts	48,077	48,077	--	--
Total equity securities	<u>11,378,377</u>	<u>11,378,377</u>	<u>--</u>	<u>--</u>
Total investments at fair value	<u>16,370,575</u>	<u>\$ 12,522,528</u>	<u>\$ 3,848,047</u>	<u>\$ --</u>

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE HIERARCHY (CONTINUED)

	Fair Value Measurements Using			
	9/30/2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments Measured at Net Asset Value (NAV)*				
Core real estate fund	996,008			
Master limited partnerships	<u>653,545</u>			
Total investments measured at NAV	<u>1,649,553</u>			
Money market funds (exempt)	345,158			
Certificates of deposit (exempt)	<u>397,529</u>			
Total investments	<u>\$ 18,762,815</u>			

* As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions.

Investments Measured at NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Core Real Estate Fund ⁽¹⁾	\$ 996,008	\$ --	Quarterly	N/A
Master limited partnerships ⁽²⁾	\$ 653,545	\$ --	3 Day Notice	N/A

(1) *Core real estate fund.* This fund is an open-end core real estate fund with a diversified portfolio of income producing institutional properties throughout the U.S. This investment is valued at NAV and is redeemable on a quarterly basis.

(2) *Master limited partnerships.* This fund invests primarily in master limited partnerships as well as domestic common stocks or similar equity securities of high quality, financially secure companies listed on principal exchanges. This investment is valued at NAV and is redeemable with 3 day notice.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 3 – RECEIVABLES

Receivables as of September 30, 2016 for the Town’s major and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	General	Capital Projects	Nonmajor Governmental	Water and Sewer	Municipal Parking	Sanitation	Stormwater Utility	Total
Receivables								
Property taxes	\$ 59,334	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 59,334
Intergovernmental	161,311	15,000	128,003	--	--	--	--	304,314
Other	360,233	--	--	755	505,700	--	--	866,688
Accounts - billed	--	--	--	118,351	--	327,812	18,820	464,983
Accounts - unbilled	--	--	--	585,307	--	--	88,852	674,159
Gross receivables	580,878	15,000	128,003	704,413	505,700	327,812	107,672	2,369,478
Less: allowance for uncollectibles	--	--	--	--	--	--	--	--
Total Receivables, Net	<u>\$ 580,878</u>	<u>\$ 15,000</u>	<u>\$ 128,003</u>	<u>\$ 704,413</u>	<u>\$ 505,700</u>	<u>\$ 327,812</u>	<u>\$ 107,672</u>	<u>\$ 2,369,478</u>

NOTE 4 – PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessments, also, are designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10.0 mills (\$10 per \$1,000 of assessed taxable valuation). The millage rate assessed by the Town for the fiscal year ended September 30, 2016, was 5.0144 per \$1,000. The tax levy of the Town is established by the Town Commission prior to October 1 each year, and the County Property Appraiser incorporates the millage into the total tax levy, which includes Miami-Dade County, Miami-Dade County School Board and special taxing districts.

All property is reassessed according to its fair market value as of January 1 each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

All real and tangible personal property taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified by the County Property Appraiser. Miami-Dade County mails to each property owner on the assessment roll a notice

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 4 – PROPERTY TAXES (CONTINUED)

of taxes due and Miami-Dade County collects the taxes for the Town. Taxes may be paid upon receipt of such notice from Miami-Dade County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1 of the year following the year in which the taxes were assessed. Procedures for the collection of delinquent taxes by Miami-Dade County are provided for in the laws of the State of Florida. As of September 30, 2016, there were no material delinquent taxes.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of the interfund balances as of September 30, 2016 is as follows:

DUE TO/FROM OTHER FUNDS

Receivable Funds	Payable Fund			Total
	Water and Sewer	Transportation Surtax Fund	Police Forfeiture Fund	
General Fund	\$ --	\$ --	2,050	\$ 2,050
Stormwater Utility Fund	<u>1,096,671</u>	<u>--</u>	<u>--</u>	<u>1,096,671</u>
	<u>\$ 1,096,671</u>	<u>\$ --</u>	<u>\$ 2,050</u>	<u>\$ 1,098,721</u>

Receivables noted above represent short-term arrangements made to cover temporary negative cash balances in each fund’s equity in pooled cash at year end.

INTERFUND TRANSFERS

Fund	Transfers In	Transfers Out
General Fund	\$ --	\$ 219,084
Capital Projects Fund	661,092	--
Stormwater Utility Fund	<u>--</u>	<u>442,008</u>
Total Interfund Transfers	<u>\$ 661,092</u>	<u>\$ 661,092</u>

Capital Projects Fund transfers in consisted of transfers from the General Fund and Stormwater Fund to provide funding for on-going construction projects.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2016 was as follows:

	Beginning Balances	Increase	Decrease	Ending Balances
Governmental Activities				
Capital Assets Not Being Depreciated				
Land	\$ 1,461,229	\$ --	\$ --	\$ 1,461,229
Construction in progress	1,261,070	192,771	1,325,544	128,297
Total Capital Assets Not Being Depreciated	<u>2,722,299</u>	<u>192,771</u>	<u>1,325,544</u>	<u>1,589,526</u>
Capital Assets Being Depreciated				
Buildings	11,024,416	1,951	--	11,026,367
Machinery, furniture and equipment	2,957,119	247,968	359,790	2,845,297
Infrastructure	4,263,220	1,325,544	--	5,588,764
Total Capital Assets Being Depreciated	<u>18,244,755</u>	<u>1,575,463</u>	<u>359,790</u>	<u>19,460,428</u>
Less: Accumulated Depreciation for				
Buildings	2,007,601	257,739	--	2,265,340
Machinery, furniture and equipment	1,906,091	307,241	315,429	1,897,903
Infrastructure	1,199,145	256,909	--	1,456,054
Total Accumulated Depreciation	<u>5,112,837</u>	<u>821,889</u>	<u>315,429</u>	<u>5,619,297</u>
Total Capital Assets Being Depreciated, Net	<u>13,131,918</u>	<u>753,574</u>	<u>44,361</u>	<u>13,841,131</u>
Governmental Activities Capital Assets, Net	<u>\$ 15,854,217</u>	<u>\$ 946,345</u>	<u>\$ 1,369,905</u>	<u>\$ 15,430,657</u>
Business-type Activities				
Capital Assets Not Being Depreciated				
Land	\$ 1,358,011	\$ --	\$ --	\$ 1,358,011
Construction in progress	60,715	--	60,715	--
Total Capital Assets Not Being Depreciated	<u>1,418,726</u>	<u>--</u>	<u>60,715</u>	<u>1,358,011</u>
Capital Assets Being Depreciated				
Equipment	1,089,961	457,593	134,942	1,412,612
Infrastructure	29,167,301	60,717	--	29,228,018
Total Capital Assets Being Depreciated	<u>30,257,262</u>	<u>518,310</u>	<u>134,942</u>	<u>30,640,630</u>
Less: Accumulated Depreciation for				
Equipment	731,121	93,740	126,781	698,080
Infrastructure	3,779,935	942,935	--	4,722,870
Total Accumulated Depreciation	<u>4,511,056</u>	<u>1,036,675</u>	<u>126,781</u>	<u>5,420,950</u>
Total Capital Assets Being Depreciated, Net	<u>25,746,206</u>	<u>(518,365)</u>	<u>8,161</u>	<u>25,219,680</u>
Business-type Activities Capital Assets, Net	<u>\$ 27,164,932</u>	<u>\$ (518,365)</u>	<u>\$ 68,876</u>	<u>\$ 26,577,691</u>

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 6 – CAPITAL ASSETS (CONTINUED)

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

Governmental Activities

General government	\$ 139,324
Public safety	189,955
Physical environment	362,285
Leisure services	59,199
Transportation	<u>71,125</u>
Total Depreciation Expense – Governmental Activities	<u>\$ 821,888</u>

Business-type Activities

Water and sewer	\$ 789,985
Municipal parking	92,788
Sanitation	23,549
Stormwater utility	<u>130,353</u>
Total Depreciation Expense – Business-type Activities	<u>\$ 1,036,675</u>

NOTE 7 – LONG TERM LIABILITIES

GOVERNMENTAL ACTIVITIES

The following is summary of changes in long-term liabilities of the Town for governmental activities for the fiscal year ended September 30, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Capital lease	\$ 201,239	\$ --	\$ 100,013	\$ 101,226	\$ 49,061
Compensated absences	309,375	53,505	--	362,880	36,288
Net pension liability	953,954	2,253,828	987,349	2,220,433	--
Net OPEB obligation	<u>242,285</u>	<u>58,496</u>	<u>--</u>	<u>300,781</u>	<u>--</u>
Total Governmental Activities	<u>\$ 1,706,853</u>	<u>\$ 2,365,829</u>	<u>\$ 1,087,362</u>	<u>\$ 2,985,320</u>	<u>\$ 85,349</u>

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 7 – LONG TERM LIABILITIES (CONTINUED)

BUSINESS-TYPE ACTIVITIES

The following is summary of changes in long-term liabilities of the Town for business-type activities for the fiscal year ended September 30, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities					
Capital lease	\$ 38,123	\$ --	\$ 12,166	\$ 25,957	\$ 12,747
Revenue bonds series 2011	9,866,062	--	599,572	9,266,490	627,869
State revolving loan	8,591,249	--	419,195	8,172,054	425,099
Compensated absences	110,929	--	7,170	103,759	10,376
Net pension liability	126,400	302,773	130,886	298,287	--
Net OPEB obligation	38,562	4,395	--	42,957	--
Total Business-type Activities	\$ 18,771,325	\$ 307,168	\$ 1,168,989	\$ 17,909,504	\$ 1,076,091

The General Fund is typically used to liquidate the compensated absences and the Net OPEB obligation.

UTILITY SYSTEM REVENUE BONDS SERIES 2011

On April 28, 2011, the Town issued \$16,000,000 Utility System Revenue Bonds, Series 2011 to finance the cost of certain construction projects, including improvements for the existing facilities for the water, sewer, and storm water systems. Principal and interest is to be paid from the pledge of Water/Sewer and Storm Water fund revenues, plus a rate stabilization amount of \$689,000, which is included in unrestricted net position of the Water/Sewer and Stormwater funds. Principal is paid annually. The bond bears interest of 4.720% payable semi-annually, and it matures on May 1, 2026. Total principal and interest remaining on the bond is \$9,266,490, plus a rate stabilization amount of \$689,000, which is included in unrestricted net position of the Water/Sewer and Stormwater funds.. For the current year, debt service which is comprised of accrued interest and principal payments was \$1,053,108. Pledged revenues were \$3,535,526.

Fiscal Year Ending September 30	Principal	Interest	Total
2017	\$ 627,870	\$ 437,379	\$ 1,065,249
2018	657,506	407,743	1,065,249
2019	688,540	376,709	1,065,249
2020	721,039	344,210	1,065,249
2021	755,072	310,177	1,065,249
2022-2026	5,816,463	1,291,611	7,108,074
Total	\$ 9,266,490	\$ 3,167,829	\$ 12,434,319

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 7 – LONG TERM LIABILITIES (CONTINUED)

STATE REVOLVING LOAN

The Town executed a Clean Water State Revolving Fund Construction Loan Agreement #WW131710 with the State of Florida Department of Environmental Protection on August 24, 2012 in the amount of \$9,310,000 for the construction of Wastewater and Stormwater improvements. The loan bearing an interest rate of 1.87% matures on January 15, 2033. No proceeds were received during the 2016 fiscal year.

The principal total outstanding at September 30, 2016 is \$8,172,053. The loan is secured by the net water, sewer and stormwater revenues, plus a rate stabilization amount of \$689,000, which is included in unrestricted net position of the Water/Sewer and Stormwater funds after payment of debt service on the Town's existing series obligations. Total debt service for fiscal year 2016 was \$465,678 and the pledged revenue was \$3,535,526. The loan is payable in semi-annual payments over 20 years beginning on July 15, 2013 and is payable each January 15 and July 15.

	Principal	Interest	Total
Fiscal Year Ending September 30			
2017	\$ 427,071	\$ 150,830	\$ 577,901
2018	435,095	142,806	577,901
2019	443,269	134,632	577,901
2020	451,597	126,304	577,901
2021	460,081	117,820	577,901
2022-2026	2,433,357	456,150	2,889,507
2027-3031	2,670,691	218,816	2,889,507
3032-3033	850,893	15,961	866,854
Total	<u>\$ 8,172,054</u>	<u>\$ 1,363,319</u>	<u>\$ 9,535,373</u>

CAPITAL LEASES

The Town entered into four separate lease agreements, at different dates, totaling approximately \$472,000 for the purpose of financing the acquisition of police vehicles and equipment in the General Fund and Water and Sewer Fund. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of its future minimum lease payments as of the inception date. One of the lease agreements was paid off during the year.

TOWN OF SURFSIDE, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 7 – LONG TERM LIABILITIES (CONTINUED)

CAPITAL LEASES (CONTINUED)

The first lease agreement was entered into on November 1, 2013. The lease agreement was for the amount of \$61,162 with an applicable annual interest rate of 4.30%. The second lease agreement, entered on November 7, 2013, was for the amount of \$82,559 with an applicable annual interest rate of 4.30%. The third lease agreement, entered on October 4, 2014, was for the amount of \$82,559 with an applicable annual interest rate of 2.35%. All leases are payable monthly.

Asset Acquired Under the Capital Lease

Machinery and equipment	\$ 687,382
Accumulated depreciation	<u>(467,702)</u>
Total Assets Acquired Under the Capital Lease	<u>\$ 219,680</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2016 were as follows:

Fiscal Year Ending September 30,	Amount
2017	64,020
2018	63,220
2019	<u>2,920</u>
Total minimum lease payments	130,160
Less: interest portion	<u>2,977</u>
Present Value of Future Minimum Lease Payments	<u>\$ 127,183</u>

NOTE 8 – EMPLOYEE RETIREMENT PLAN

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the Plan documents for more complete information.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 8 – EMPLOYEE RETIREMENT PLAN (CONTINUED)

PLAN DESCRIPTION

The Plan is a contributory defined benefit single-employer retirement plan covering substantially all employees of the Town of Surfside. All full-time employees are eligible to participate in the Plan immediately upon employment. The administration of the Plan is under the responsibility of a five-member Board of Trustees, which is subject to the ultimate authority of the Town Commission.

The Plan was established by a Town ordinance approved by the Commissioners and effective January 1, 1962. The Plan is also subject to certain provisions of Chapter 112, Florida Statutes. The benefit provisions and all other requirements, and amendments are established by Town Ordinance. The benefits provided to the Fraternal Order of Police (FOP) members are subject to collective bargaining.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by contacting the Town's Finance Director or visiting the Town's website.

During 2011, the Town passed Ordinance 11-1580, which grants the right to Charter Officers to opt out of the Plan at any time.

The Plan is administered by a Pension Board comprised of:

- Two Town Commissioners
- One police officer elected by a majority of police officers
- A general employee elected by his fellow general employees
- The Town Manager (a permanent member of the Board)

Membership in the Plan as of October 1, 2015, the latest actuarial valuation, was as follows:

Inactive plan members and beneficiaries currently receiving benefits	36
Inactive plan members entitled but not yet receiving benefits	6
Active plan members	<u>87</u>
Total Members	<u><u>129</u></u>

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 8 – EMPLOYEE RETIREMENT PLAN (CONTINUED)

CONTRIBUTIONS AND FUNDING POLICY

Funding of the Plan is provided by contributions from the Town and the employees. The Town's funding policy provides for annual actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The Town contribution to the Plan which was determined based on the October 1, 2014 actuarial valuation, totaled \$757,304 for the year ended September 30, 2016.

General Employees

Initially employees were required to contribute either 5% of their salary. One employee still contributes 5%, but all other general employees contribute 6%.

Police Officers

Certified law enforcement members of the Plan contribute eight percent (8%) of earnable compensation to the Plan.

Deferred Retirement Option Program

The Town maintains a Deferred Retirement Option Program (DROP) initially for Police officers and dispatchers only. Effective August 13, 2013, the Town Commission passed an Ordinance, which amended the Deferred Retirement Option Program (DROP) to include all members of the retirement Plan who reach the earliest normal retirement age whereby such member shall be eligible to participate in the DROP. The maximum period of participation in the DROP is sixty months. No payments may be made from the DROP until the employee actually separates from service with the Town. One (1) Police Officer is currently participating in the DROP as of September 30, 2016. Two (2) general employees are currently participating in the DROP as of September 30, 2016. As of September 30, 2016, the balance in the DROP account was \$247,828. This amount is included in the total investment balance presented on the statement of fiduciary net position.

Basis of Accounting

The Plan for Employees of the Town of Surfside's financial statements are prepared on the accrual basis of accounting, reflecting income when earned and contributions for the year (regardless of when received) and expenses and other obligations when incurred (regardless of when paid). Benefit payments and refunds of contributions are recorded as they become due, and payable in accordance with the terms of the Plan. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and payable, and the employer has made a formal commitment to provide the contributions.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 8 – EMPLOYEE RETIREMENT PLAN (CONTINUED)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method Used to Value Investments

The Plan investments are reported at fair value with the exception of money market funds, which are reported at amortized cost, as a result of having a remaining maturity at time of purchase of one year or less, and are managed by third-party money managers. The Plan's custodian and individual money manager price each instrument (using various third party pricing sources). Investments that do not have an established market are reported at estimated fair value. Performance reporting, manager fees, and the Plan's asset valuation are based on the custodian's determination of value.

The net position of the Plan is the difference between the total plan assets and the total plan liabilities, and are held in trust for pension benefits. Both realized and unrealized gains/losses are recognized under the net appreciation/depreciation in the fair value of investments.

Investment and administrative expenses of the Plan may be paid either by the Town or by the Plan. It is the policy of the Town that these expenses are to be paid by the Plan.

NET PENSION LIABILITY OF THE TOWN

In accordance with Government Accounting Standards Board Statement No. 68, the net pension liability of the Town using a measurement date of September 30, 2015 was as follows:

Total pension liability	\$ 19,012,209
Plan fiduciary net position	<u>(16,493,489)</u>
Net Pension Liability	<u>\$ 2,518,720</u>
Plan fiduciary net position as a percentage of the total pension liability	86.75%

The above net pension liability is recorded within the government-wide and proprietary funds statement of net position as of September 30, 2016.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 8 – EMPLOYEE RETIREMENT PLAN (CONTINUED)

CHANGES IN THE NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2014	<u>\$ 17,338,384</u>	<u>\$ 16,258,030</u>	<u>\$ 1,080,354</u>
Changes for the year:			
Service cost	901,998	--	901,998
Expected interest growth	1,336,817	--	1,336,817
Benefit changes	--	--	--
Difference Between Actual and Expected Experience	100,031	--	100,031
Net investment loss	--	(132,329)	132,329
Contributions - Town	--	727,022	(727,022)
Contributions - member	--	391,213	(391,213)
Administrative expenses	--	(85,426)	85,426
Benefit payments, including refunds of employee contributions	(665,021)	(665,021)	--
Net changes	<u>1,673,825</u>	<u>235,459</u>	<u>1,438,366</u>
Balances at September 30, 2015	<u>\$ 19,012,209</u>	<u>\$ 16,493,489</u>	<u>\$ 2,518,720</u>

SIGNIFICANT ACTUARIAL ASSUMPTIONS

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Measurement Date:	September 30, 2015
Actuarial valuation	October 1, 2014
Interest rates:	
Single discount rate:	7.50%
Inflation rate:	3.50%

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 8 – EMPLOYEE RETIREMENT PLAN (CONTINUED)

LONG-TERM EXPECTED RATE OF RETURN

The long-term expected rate of return on pension plan investments was determined based upon the historical average (means returns) which best-estimate ranges of expected future real rates of return. In order to determine the real rates of return, it is necessary to subtract the expected inflation rate from the nominal investment return and investment expenses. The long-term expected rate of return for the Plan was calculated by weighting the expected future rates of return of each asset class by the corresponding target allocation percentages. The target allocation and best estimates of real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Long-Term Real Return</u>
Domestic equity	52.0%	8.1%
International equity	10.0%	2.7%
Fixed income	25.0%	4.4%
Real estate	10.0%	5.8%
Cash	3.0%	1.1%

DISCOUNT RATE

A discount rate of 7.50% was used to measure the total pension liability. This discount rate was based on the expected rate of return on Plan investments of 7.50%. The projection of cash flow used to determine this discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability of the Town.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 8 – EMPLOYEE RETIREMENT PLAN (CONTINUED)

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the net pension liability of the Town, calculated using the discount rate of 7.50%, as well as what the Town’s net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability (Asset) of the Town	<u>\$ 5,137,862</u>	<u>\$ 2,518,720</u>	<u>\$ 357,820</u>

PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2016, the Town reported a net pension liability of \$2,518,720 (September 30, 2015, measurement date). The net pension liability was measured as of September 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2014. For the fiscal year ended September 30, 2016, the Town recognized pension expense of \$952,643. In addition, the Town reported deferred outflows of resources related to the Plan from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience on liabilities	\$ 207,623	\$ --
Net difference between projected and actual earnings on pension plan investment	915,299	
Town contributions subsequent to the measurement date	757,304	--
Total	<u><u>\$ 1,880,226</u></u>	<u><u>\$ --</u></u>

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 8 – EMPLOYEE RETIREMENT PLAN (CONTINUED)

PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

The deferred outflows of resources associated with the Town's contribution to the Plan subsequent to the measurement date of September 30, 2015 in the amount of \$757,304, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2017	\$ 252,759
2018	252,759
2019	252,761
2020	311,784
2021	38,691
Thereafter	<u>14,168</u>
Total	<u><u>\$ 1,122,922</u></u>

PAYABLE TO THE PENSION PLAN

At September 30, 2016, the Town reported a payable of \$22,146 for the outstanding amount of contributions to the pension plan required for the fiscal year ended September 30, 2016.

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS

The Town follows the standards for *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB). The standard does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer's Statement of Net Position as an increase (or decrease) in the Net OPEB obligation.

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

PLAN DESCRIPTION

The Town provides an optional single employer defined benefit post-employment healthcare plan to eligible individuals. The Plan allows its employees and their beneficiaries, at their own cost, to continue to obtain health and dental insurance benefits upon retirement. The benefits of the Plan conform to Florida Statutes, which are the legal authority for the Plan. The Plan has no assets and does not issue a separate financial report.

FUNDING POLICY AND ANNUAL OPEB COST

The Town does not directly make a contribution to the Plan on behalf of retirees. Retirees and their beneficiaries pay the same group rates as are charged to the Town for active employees by its healthcare provider. However, the Town's actuaries, in their actuarial valuation, calculate an offset to the cost of these benefits as an Employer Contribution, based upon an implicit rate subsidy. This offset equals the total age-adjusted costs paid by the Town or its active employees for coverage of the retirees and their dependents for the year net of the retiree's own payments for the year.

The annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution of the employer, an amount actuarially determined. The annual required contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The annual OPEB cost for the Town for the current year and the related information is as follows:

Required contribution rates:

Employer	Pay-as-you-go
Plan members	N/A
Annual required contribution	\$ 64,887
Interest on normal cost	11,233
Adjustment to the annual required contribution	<u>(11,162)</u>
Annual OPEB cost	64,958
Estimated employer contribution	<u>(2,067)</u>
Increase in net OPEB obligation	62,891
Net OPEB obligation - Beginning of Year	<u>280,847</u>
Net OPEB Obligation - End of Year	<u>\$ 343,738</u>

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

THREE YEAR TREND INFORMATION

The annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation are as follows:

	2016	2015	2014
Annual OPEB cost	\$ 64,958	\$ 68,356	\$ 62,759
Percentage of OPEB cost contributed	3.2%	7.0%	11.6%
Net OPEB obligation	343,738	280,847	217,276

FUNDED STATUS AND FUNDING PROGRESS

The funded status of the plan as of October 1, 2015, the latest actuarial valuation, was as follows:

Actuarial Value of Assets (a)	Actuarial Liability (AAL) - (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a) / c)
\$ --	\$ 374,338	\$ 374,338	0.0%	\$ 5,829,862	6.4%

The actuarial valuation for the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events in the future. 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 to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information is designed to provide multi-year trend information to show whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. However, the Town has not contributed assets to the Plan at this time.

ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Town and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

TOWN OF SURFSIDE, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

ACTUARIAL METHODS AND ASSUMPTIONS (CONTINUED)

Actuarial valuation date	10/1/2015
Actuarial cost method	Entry Age
Amortization method	Level percent, open
Remaining amortization period	30 years
Asset valuation method	Unfunded
Actuarial assumptions:	
Investment rate of return*	4.0%
Projected salary increases*	4.0% - 8.0%
Payroll growth assumptions	3.0%
Initial trend rate	8.0%
Ultimate trend rate	4.4%
* Includes inflation at	2.8%

NOTE 10 – COMMITMENTS AND CONTINGENCIES

RISK MANAGEMENT

The Town is exposed to various risks and losses related to torts, theft of or damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Town participates with other municipalities and governmental units in a public entity risk pool administered by the Florida League of Cities Public Risk Services known as the Florida Municipal Insurance Trust (FMIT). The Town pays annual premiums to the FMIT for its general liability insurance, commercial real and personal property, including electronic data processing equipment, automobile, liability, and physical damage insurance coverage.

The Town also participates in the Florida League of Cities public risk pool known as the Florida Municipal Self Insurers Fund (FMSIF) to which it pays annual premiums for its workers' compensation insurance. The agreement with these public risk pools provides that the pools will be self-sustaining through member premiums and will re-insure through commercial companies for workers' compensation and liability insurance for claims in excess of \$1,000,000. All policies are issued by FMIT and FMSIF on a non-assessable basis.

The Town maintains commercial insurance for corporate fiduciary liability, flood, and windstorm coverage. There were no reductions, only increases in insurance coverage from the prior year and there were no settlements that exceeded insurance coverage for each of the past three years.

TOWN OF SURFSIDE, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 10 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

LITIGATION

The Town is a defendant in various lawsuits incidental to its operations. As a result of the Red Light Camera ongoing litigation, the Town may have to pay back, in the future, to certain persons that received citations an amount that could exceed \$500,000. This matter is still pending in the courts. It is the opinion of Town Management and Town Legal Counsel, that the ultimate resolution of all other matters will not have a material adverse effect on the financial position and results of operations of the Town.

NOTE 11– EXCESS OF EXPENDITURES OVER APPROPRIATIONS

In the Public Safety Department, expenditures exceeded appropriations by \$130,039. This was covered by excess of revenues over estimated revenues.

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

TOWN OF SURFSIDE, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Budgetary	Variance
	Original	Final	Basis Actual	with Final Budget - Positive (Negative)
Revenues				
Property taxes	\$ 7,179,916	\$ 7,179,916	\$ 7,276,466	\$ 96,550
Resort taxes	1,284,000	1,284,000	1,226,351	(57,649)
Utility taxes	569,000	569,000	577,872	8,872
Communications services tax	265,000	265,000	234,542	(30,458)
Franchise taxes	448,000	448,000	424,878	(23,122)
Licenses and permits	525,050	702,491	939,870	237,379
Intergovernmental	697,100	697,100	717,252	20,152
Charges for services	263,200	263,200	293,325	30,125
Fines and forfeitures	680,000	760,200	1,140,065	379,865
Interest earnings	5,500	5,500	17,913	12,413
Miscellaneous	236,225	303,125	571,559	268,434
Total Revenues	<u>12,152,991</u>	<u>12,477,532</u>	<u>13,420,093</u>	<u>942,561</u>
Expenditures				
Current:				
General government	3,685,742	3,879,783	3,436,143	443,640
Public safety	5,290,649	5,390,949	5,520,988	(130,039)
Public works	1,280,924	1,320,688	1,113,789	206,899
Leisure services	1,960,498	1,970,499	1,841,022	129,477
Total Expenditures	<u>12,217,813</u>	<u>12,561,919</u>	<u>11,911,942</u>	<u>649,977</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(64,822)</u>	<u>(84,387)</u>	<u>1,508,151</u>	<u>1,592,538</u>
Other Financing Sources (Uses)				
Fund balance	(59,319)	--	--	--
Transfers in	276,841	276,841	276,841	--
Transfers out	(152,700)	(219,084)	(219,084)	--
Total Other Financing Sources (Uses)	<u>64,822</u>	<u>57,757</u>	<u>57,757</u>	<u>--</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ (26,630)</u>	<u>\$ 1,565,908</u>	<u>\$ 292,584</u>
Appropriated Beginning Fund Balance	<u>\$ --</u>	<u>\$ 26,630</u>		

See notes to budgetary comparison schedule.

TOWN OF SURFSIDE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

Annual appropriated budgets for the governmental (except for the capital projects fund) and proprietary funds are adopted on a basis consistent with accounting principles generally accepted in the United States, except for general fund debt service payments and transfers.

1. Prior to August 1, the Town Manager submits to the Town Commission a proposed operating budget for the fiscal year commencing the following October 1. The budget includes proposed expenditures and the means of financing them.
2. The Town Commission holds a public workshop on the proposed budget. Formal public hearings are conducted in September to obtain taxpayers' comments.
3. Prior to October 1, the budget is legally adopted by resolution.

Budgets are monitored at the department level. Budgetary control over expenditures, including capital outlay and transfers, is maintained at the fund level whereby management cannot transfer or over expend appropriations at the individual fund level.

Budgets in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse at the end of each year, the succeeding year's budget ordinance specifically provides for the reappropriation of year end encumbrances.

The Town Manager is authorized to transfer part or all of an encumbered appropriation balance within a particular department or fund; however, any revisions that alter the total appropriations of any department (general fund) or fund must be approved by the Town Commission.

If during the course of the fiscal year, it becomes evident that a particular fund is unable to provide the required level of services to the Town because of higher costs of providing services, or unforeseen circumstances, the budget may be amended. The Town Manager submits to the Town Commission a request to amend the budget. The request contains explanations, and includes a proposal for financing if additional appropriations are requested. The amendment requires the Town Commission approval and adoption. All necessary supplemental appropriations are adopted by the Town Commission as part of the budget review process and are included in the Final Budget columns on the budgetary comparison schedule. There were supplemental appropriations in the amount of \$284,786 in the General Fund for the fiscal year ended September 30, 2016.

TOWN OF SURFSIDE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 2 – RECONCILIATION OF GAAP BASIS TO BUDGETARY BASIS

Expenditures Reported on a GAAP Basis	\$ 11,738,327
Transfers recorded as a reduction of expenditures	276,841
Debt service not budgeted	<u>(103,226)</u>
Expenditures on a Budgetary Basis	<u><u>\$ 11,911,942</u></u>

TOWN OF SURFSIDE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFITS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a) ÷ (b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a) ÷ c)
October 1, 2009	\$ --	\$ 315,926	\$ 315,926	0.0%	\$ 4,364,293	7.2%
October 1, 2012	--	271,313	271,313	0.0%	4,359,957	6.2%
October 1, 2015	--	374,338	374,338	0.0%	5,829,862	6.4%

TOWN OF SURFSIDE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY AND RELATED RATIOS

Measurement Date, September 30,	2016	2015	2014
Total Pension Liability			
Service cost	\$ 932,365	\$ 901,998	\$ 888,988
Interest	1,458,652	1,336,817	1,227,596
Benefit changes	--	--	35,244
Difference between actual and expected experience	(35,527)	100,031	170,264
Changes of assumptions	402,655	--	--
Benefit payments, including refunds of member contributions	<u>(602,692)</u>	<u>(665,021)</u>	<u>(545,746)</u>
Net Change in Total Pension Liability	2,155,453	1,673,825	1,776,346
Total Pension Liability - Beginning	<u>19,012,209</u>	<u>17,338,384</u>	<u>15,562,038</u>
Total Pension Liability - Ending (a)	<u><u>\$ 21,167,662</u></u>	<u><u>\$ 19,012,209</u></u>	<u><u>\$ 17,338,384</u></u>
Plan Fiduciary Net Position			
Contributions - Town	\$ 757,304	\$ 727,022	\$ 631,584
Contributions - Members	383,619	387,678	349,600
Net Investment income	1,850,415	(128,796)	1,396,431
Benefit payments, including refunds of member contributions	(602,690)	(665,019)	(545,746)
Administrative expense	<u>(130,686)</u>	<u>(85,426)</u>	<u>(80,194)</u>
Net Change in Plan Fiduciary Net Position	2,257,962	235,459	1,751,675
Plan Fiduciary Net Position - Beginning	<u>16,493,489</u>	<u>16,258,030</u>	<u>14,506,355</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 18,751,451</u></u>	<u><u>\$ 16,493,489</u></u>	<u><u>\$ 16,258,030</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 2,416,211</u></u>	<u><u>\$ 2,518,720</u></u>	<u><u>\$ 1,080,354</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.59%	86.75%	93.77%
Covered Employee Payroll	\$ 5,710,172	\$ 5,321,296	\$ 5,103,795
Net Pension Liability as a Percentage of Covered- Employee Payroll	42.31%	47.33%	21.17%

This schedule is presented as required by accounting principles generally accepted in the United States of America, however, until a full 10-year trend is compiled, information is presented for those years available.

TOWN OF SURFSIDE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF TOWN CONTRIBUTIONS

LAST TEN FISCAL YEARS

Fiscal Year End 9/30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2006	\$ 203,274	\$ 230,812	\$ (27,538)	\$ 3,170,278	7.28%
2007	264,370	264,370	--	3,653,048	7.24%
2008	384,905	384,416	489	3,978,291	9.66%
2009	423,747	423,747	--	4,568,544	9.28%
2010	553,919	553,919	--	4,059,522	13.64%
2011	625,963	625,963	--	4,016,852	15.58%
2012	515,440	515,440	--	4,053,208	12.72%
2013	534,209	534,209	--	4,359,957	12.25%
2014	631,584	631,584	--	5,305,109	11.91%
2015	727,022	727,022	--	5,321,296	13.66%
2016	757,304	757,304	--	5,710,172	13.26%

Notes to the schedule

Valuation date: October 1, 2014

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Significant methods and assumptions used to determine contribution rates for fiscal year ended September 30, 2016:

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Asset valuation method	5 year smoothed market
Salary increases	4.0% - 13.5%
Inflation	3.5%
Cost of living adjustments	1.5%
Investment rate of return	7.5%

Mortality rates were based on the RP-2000 Generational Mortality Table for healthy Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Tourism Fund – This fund is used to account for the 34 percent portion of the resort tax collections, which are restricted to promote tourism related activities of the Town which are restricted to approved functions and activities.

Transportation Surtax Fund – This fund is used to account for the restricted proceeds of the Town's allocable share of the Miami-Dade County Transit System Surtax. The expenditures from this fund are restricted to specific purposes.

Police Forfeiture Fund – This fund is used to account for the restricted proceeds of police forfeitures and confiscations, and expenditures, which are restricted to approved functions and activities.

TOWN OF SURFSIDE, FLORIDA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2016

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Tourism	Transportation Surtax	Police Forfeiture	
Assets				
Cash	\$ 413,236	\$ 304,326	\$ 132,395	\$ 849,957
Investments	--	--	12,483	12,483
Receivables	51,903	76,100	--	128,003
Prepaid items	2,801	--	353	3,154
Total Assets	<u>\$ 467,940</u>	<u>\$ 380,426</u>	<u>\$ 145,231</u>	<u>\$ 993,597</u>
Liabilities				
Accounts payable	\$ 99,968	\$ 26,162	\$ 1,073	\$ 127,203
Accrued liabilities	1,164	--	--	1,164
Due to other funds	--	--	2,050	2,050
Unearned revenue	600	--	--	600
Total Liabilities	<u>101,732</u>	<u>26,162</u>	<u>3,123</u>	<u>131,017</u>
Fund Balances				
Non-spendable:				
Prepaid items	2,801	--	353	3,154
Restricted for:				
Tourism	363,407	--	--	363,407
Transportation surtax	--	354,264	--	354,264
Police forfeiture	--	--	141,755	141,755
Total Fund Balances	<u>366,208</u>	<u>354,264</u>	<u>142,108</u>	<u>862,580</u>
Total Liabilities and Fund Balances	<u>\$ 467,940</u>	<u>\$ 380,426</u>	<u>\$ 145,231</u>	<u>\$ 993,597</u>

TOWN OF SURFSIDE, FLORIDA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Tourism	Transportation Surtax	Police Forfeiture	
Revenues				
Resort taxes	\$ 639,875	\$ --	\$ --	\$ 639,875
Intergovernmental	--	230,428	--	230,428
Fines and forfeitures	--	--	70,624	70,624
Interest earnings	--	--	406	406
Miscellaneous	7,500	--	--	7,500
Total Revenues	<u>647,375</u>	<u>230,428</u>	<u>71,030</u>	<u>948,833</u>
Expenditures				
Public safety	--	--	33,153	33,153
Leisure services	620,862	--	--	620,862
Transportation	--	310,767	--	310,767
Capital outlay	1,951	6,059	9,200	17,210
Total Expenditures	<u>622,813</u>	<u>316,826</u>	<u>42,353</u>	<u>981,992</u>
Excess (Deficiency) of Revenues Over Expenditures	24,562	(86,398)	28,677	(33,159)
Fund Balances - Beginning	<u>341,646</u>	<u>440,662</u>	<u>113,431</u>	<u>895,739</u>
Fund Balances - Ending	<u>\$ 366,208</u>	<u>\$ 354,264</u>	<u>\$ 142,108</u>	<u>\$ 862,580</u>

TOWN OF SURFSIDE, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
TOURISM FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Resort taxes	\$ 658,870	\$ 658,870	\$ 639,875	\$ (18,995)
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>7,500</u>	<u>4,500</u>
Total Revenues	<u>661,870</u>	<u>661,870</u>	<u>647,375</u>	<u>(14,495)</u>
Expenditures				
Current:				
General government	661,870	661,870	620,862	41,008
Capital outlay	<u>--</u>	<u>--</u>	<u>1,951</u>	<u>(1,951)</u>
Total Expenditures	<u>661,870</u>	<u>661,870</u>	<u>622,813</u>	<u>39,057</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 24,562</u>	<u>\$ 24,562</u>

TOWN OF SURFSIDE, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
TRANSPORTATION SURTAX FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 217,000	\$ 217,000	\$ 230,428	\$ 13,428
Miscellaneous	43,350	149,769	--	(149,769)
Total Revenues	<u>260,350</u>	<u>366,769</u>	<u>230,428</u>	<u>(136,341)</u>
Expenditures				
Current:				
Transportation	249,500	355,919	310,767	45,152
Capital outlay	--	--	6,059	(6,059)
Total Expenditures	<u>249,500</u>	<u>355,919</u>	<u>316,826</u>	<u>39,093</u>
Excess of Revenues over Expenditures	<u>10,850</u>	<u>10,850</u>	<u>(86,398)</u>	<u>97,248</u>
Other Financing Uses				
Transfers out	(10,850)	(10,850)	--	(10,850)
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (86,398)</u>	<u>\$ (97,248)</u>

TOWN OF SURFSIDE, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
POLICE FORFEITURE FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ --	\$ 38,015	\$ 70,624	\$ 32,609
Miscellaneous	<u>80,000</u>	<u>41,985</u>	<u>406</u>	<u>(41,579)</u>
Total Revenues	<u>80,000</u>	<u>80,000</u>	<u>71,030</u>	<u>(8,970)</u>
Expenditures				
Current:				
Public safety	58,000	58,000	33,153	24,847
Capital outlay	<u>22,000</u>	<u>22,000</u>	<u>9,200</u>	<u>12,800</u>
Total Expenditures	<u>80,000</u>	<u>80,000</u>	<u>42,353</u>	<u>37,647</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 28,677</u>	<u>\$ 28,677</u>

STATISTICAL SECTION



Town of Surfside, Florida
Introduction to Statistical Section
(Unaudited)

This part of the Town of Surfside, Florida's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents

Exhibits

Financial Trends

These tables contain trend information that may assist the reader in assessing the Town's current financial performance by placing it in historical perspective.

I - XII

Revenue Capacity

These tables contain information that may assist the reader in assessing the viability of the Town's most significant "own-source" revenue source, property taxes.

XIII - XVII

Debt Capacity

These tables present information that may assist the reader in analyzing the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future. However, the Town does not have any outstanding general obligation bonded debt.

XVIII - XX

Demographic and Economic Information

These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the Town operates and (2) to provide information that facilitates comparisons of financial statement information over time and among towns.

XXI - XXIV

Operating Information

These tables contain service and infrastructure indicators that can inform one's understanding how the information in the Town's financial statements relates to the services the Town provides and the activities it performs.

XXV

Data Source:

Unless otherwise noted, the information in these tables is derived from the financial statements/comprehensive annual financial report for the applicable year.

Town of Surfside, Florida
Changes in Net Position - Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
General government	\$ 3,586,294	\$ 3,933,155	\$ 2,844,246	\$ 2,404,067	\$ 2,791,917	\$ 3,117,750	\$ 3,555,197	\$ 3,329,275	\$ 3,432,500	\$ 3,295,208
Public safety	3,599,072	3,703,961	4,094,093	3,786,485	4,099,678	4,418,680	4,404,897	5,003,628	5,624,875	5,871,196
Public works	959,705	848,334	961,381	803,147	829,383	980,590	1,034,890	1,266,810	1,516,329	1,487,590
Leisure services	1,238,174	1,748,556	1,558,000	1,086,071	1,139,460	1,691,572	1,767,787	1,688,945	2,350,266	2,534,022
Tourism development	89,635	-	-	-	-	-	-	-	-	381,891
Transportation	-	173,759	114,121	105,682	124,500	138,815	168,417	209,373	271,284	3,213
Interest	-	-	-	-	-	4,754	6,045	5,787	5,475	-
Total Expenses	9,472,880	10,407,765	9,571,841	8,185,452	8,984,938	10,352,161	10,937,233	11,503,818	13,200,729	13,573,120
Program Revenues:										
Charges for services:										
General government	340,597	169,749	198,504	374,556	459,549	1,274,946	1,395,993	2,205,974	1,003,521	1,233,195
Public safety	205,692	287,324	199,614	-	479,795	626,372	645,803	777,293	940,380	1,140,065
Leisure services	162,549	125,120	123,327	144,757	166,570	387,170	404,443	608,316	601,904	639,875
Transportation	-	-	-	-	516	-	-	-	-	-
Operating grants and contributions	316,547	325,309	269,317	382,635	401,300	245,305	271,588	523,432	277,331	301,052
Capital grants and contributions	-	-	-	-	1,275	-	350,000	1,395,000	141,217	554,446
Total Program Revenues	1,025,385	907,502	790,762	901,948	1,509,005	2,533,793	3,067,827	5,510,015	2,964,353	3,868,633
Net (Expense) Revenue	(8,447,495)	(9,500,263)	(8,781,079)	(7,283,504)	(7,475,933)	(7,818,368)	(7,869,406)	(5,993,803)	(10,236,376)	(9,704,487)
General Revenues:										
Taxes:										
Property taxes	7,377,056	6,292,755	6,325,721	5,323,728	5,619,494	5,264,387	5,257,726	5,660,551	6,526,267	7,276,466
Resort taxes	477,563	424,279	366,867	390,873	435,175	344,063	343,733	677,079	1,154,041	1,226,351
Franchise fees based on gross receipts	453,901	463,823	416,728	414,835	416,277	399,621	394,613	442,572	451,450	424,878
Utility taxes	457,905	438,335	66,825	120,307	470,350	471,994	503,592	553,407	568,462	577,872
Communications services tax	272,870	337,348	385,486	343,440	353,667	325,102	298,019	282,169	268,859	234,542
Unrestricted intergovernmental revenues	584,219	519,837	862,137	905,255	657,120	639,582	638,944	681,956	713,914	717,252
Unrestricted investment earnings (losses)	639,616	194,695	(36,049)	98,208	37,368	62,782	30,399	-	28,783	26,988
Miscellaneous	57,941	49,503	81,280	56,481	138,283	205,832	241,930	396,138	613,367	571,559
Total General Revenues	10,321,071	8,720,575	8,468,995	7,653,127	8,127,734	7,713,363	7,708,956	8,693,872	10,325,143	11,055,908
Net Transfers In (Out)	-	(110,940)	121,893	208,502	212,172	26,329	402,278	189,770	(19,272)	442,008
Total General Revenues and Net Transfers	10,321,071	8,609,635	8,590,888	7,861,629	8,339,906	7,739,692	8,111,234	8,883,642	10,305,871	11,497,916
Change in Net Position	\$ 1,873,576	\$ (890,628)	\$ (190,191)	\$ 578,125	\$ 863,973	\$ (78,676)	\$ 241,828	\$ 2,889,839	\$ 69,495	\$ 1,793,429

Data Source:

Applicable years' comprehensive annual financial report.

Note: Terminology for all years presented has been updated with the implementation of GASB Statement No. 63.

Town of Surfside, Florida
Changes in Net Position- Governmental Activities - Percentage of Total
Last Ten Fiscal Years
(accrual basis of accounting)

For the Fiscal Year Ended September 30,

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
General government	37.9%	37.8%	29.7%	29.4%	31.1%	30.1%	32.5%	28.9%	26.0%	24.3%
Public safety	38.0%	35.6%	42.8%	46.3%	45.6%	42.7%	40.3%	43.5%	42.6%	43.3%
Public works	10.1%	8.2%	10.0%	9.8%	9.2%	9.5%	9.5%	11.0%	11.5%	11.0%
Leisure services	13.1%	16.8%	16.3%	13.3%	12.7%	16.3%	16.2%	14.7%	17.8%	18.7%
Tourism development	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.8%
Transportation	0.0%	1.7%	1.2%	1.3%	1.4%	1.4%	1.5%	1.8%	2.1%	0.1%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:										
Charges for services:										
General government	33.2%	18.7%	25.1%	41.5%	30.5%	50.3%	45.5%	40.0%	33.9%	31.9%
Public safety	20.1%	31.7%	25.2%	0.0%	31.8%	24.7%	21.1%	14.1%	31.7%	29.5%
Leisure services	15.9%	13.8%	15.6%	16.0%	11.0%	15.3%	13.2%	11.0%	20.3%	16.5%
Operating grants and contributions	30.9%	35.8%	34.1%	42.5%	26.7%	9.7%	8.9%	9.6%	9.5%	7.9%
Capital grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.4%	25.3%	4.8%	14.3%
Total Program Revenues	100.0%	100.0%	100.0%	100.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues:										
Taxes:										
Property taxes	71.5%	72.2%	74.7%	69.6%	69.1%	68.3%	68.2%	65.1%	63.2%	65.8%
Resort taxes	4.6%	4.9%	4.3%	5.1%	5.4%	4.5%	4.5%	7.8%	11.2%	11.1%
Franchise fees based on gross receipts	4.4%	5.3%	4.9%	5.4%	5.1%	5.2%	5.1%	5.1%	4.4%	3.8%
Utility taxes	4.4%	5.0%	0.8%	1.6%	5.8%	6.1%	6.5%	6.4%	5.5%	5.2%
Communications services tax	2.6%	3.9%	4.6%	4.5%	4.4%	4.2%	3.9%	3.2%	2.6%	2.1%
Unrestricted intergovernmental revenues	5.7%	6.0%	10.2%	11.8%	8.1%	8.3%	8.3%	7.8%	6.9%	6.5%
Unrestricted investment earnings (losses)	6.2%	2.2%	-0.4%	1.3%	0.5%	0.8%	0.4%	0.0%	0.3%	0.2%
Miscellaneous	0.6%	0.5%	0.9%	0.7%	1.6%	2.6%	3.1%	4.6%	5.9%	5.3%
Total General Revenues	100.0%	99.9%	99.9%	100.0%	99.9%	99.9%	100.0%	100.0%	100.0%	100.0%

Data Source:

Applicable years' comprehensive annual financial report.

Town of Surfside, Florida
Changes in Net Position - Business-type Activities
Last Ten Fiscal Years
(accrual basis of accounting)

For the Fiscal Year Ended September 30,

Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Water and sewer	\$ 1,428,258	\$ 1,788,324	\$ 1,669,477	\$ 1,990,702	\$ 1,818,762	\$ 1,730,300	\$ 1,837,645	\$ 2,936,822	\$ 2,987,800	\$ 3,150,570
Municipal parking	176,715	188,086	174,680	222,108	368,497	622,208	888,502	898,121	954,129	1,095,550
Sanitation	1,172,075	1,139,619	1,018,579	949,505	1,022,897	1,073,281	1,131,680	1,347,714	1,334,381	1,452,813
Stormwater utility	100,970	115,723	128,910	114,086	122,207	130,323	144,999	349,434	471,517	492,599
Total Expenses	2,878,018	3,231,752	2,991,646	3,276,401	3,332,363	3,556,112	4,002,826	5,532,091	5,747,827	6,191,532
Program Revenues:										
Charges for services:										
Water and sewer	1,512,757	1,352,247	1,966,915	2,518,218	2,876,010	2,785,348	2,632,046	2,917,357	3,430,619	3,027,479
Municipal parking	288,959	296,600	394,975	404,293	679,970	893,026	1,056,467	1,028,740	1,047,506	1,086,763
Sanitation	798,028	782,024	1,251,695	1,244,547	1,231,887	1,219,689	1,238,942	1,217,681	1,381,361	1,705,617
Stormwater utility	114,134	114,219	243,775	247,002	501,655	502,972	499,705	497,300	493,107	507,827
Capital grants and contributions	761	12,500	-	-	567,710	276,844	1,086,000	-	-	-
Total Program Revenues	2,714,639	2,557,590	3,857,360	4,414,060	5,857,232	5,677,879	6,513,160	5,661,078	6,352,593	6,327,686
Net (Expense) Revenue	(163,379)	(674,162)	865,714	1,137,659	2,524,869	2,121,767	2,510,334	128,987	604,766	136,154
General Revenues:										
Investment earnings	201,052	101,307	2,569	15,622	15,130	14,790	(13,811)	139	1,406	220
Capital contributions	-	-	-	108,947	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	2,361	-	-
Net Transfers	-	110,940	(121,893)	(208,502)	(212,172)	(26,329)	(402,278)	(189,770)	19,272	(442,008)
Total General Revenues	201,052	212,247	(119,324)	(83,933)	(197,042)	(11,539)	(416,089)	(187,270)	20,678	(441,788)
Change in Net Position	\$ 37,673	\$ (461,915)	\$ 746,390	\$ 1,053,726	\$ 2,327,827	\$ 2,110,228	\$ 2,094,245	\$ (58,283)	\$ 625,444	\$ (305,634)

Data Source:

Applicable years' comprehensive annual financial report.

Note: Terminology for all years presented has been updated with the implementation of GASB Statement No. 63.

Town of Surfside, Florida
Changes in Total Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental activities	\$ 9,472,880	\$ 10,407,765	\$ 9,571,841	\$ 8,185,452	\$ 8,984,938	\$ 10,352,161	\$ 10,937,233	\$ 11,467,985	\$ 13,200,729	\$ 13,573,120
Business-type activities	2,878,018	3,231,752	2,991,646	3,276,401	3,332,363	3,556,112	4,002,826	5,532,091	5,747,827	6,191,532
Total Expenses	12,350,898	13,639,517	12,563,487	11,461,853	12,317,301	13,908,273	14,940,059	17,000,076	18,948,556	19,764,652
Program Revenues:										
Governmental activities	1,025,385	907,502	790,762	901,948	1,509,005	2,533,793	3,067,827	5,510,015	2,964,353	3,868,633
Business-type activities	2,714,639	2,557,590	3,857,360	4,414,060	5,857,232	5,677,879	6,513,160	5,661,078	6,352,593	6,327,686
Total Program Revenues	3,740,024	3,465,092	4,648,122	5,316,008	7,366,237	8,211,672	9,580,987	11,171,093	9,316,946	10,196,319
Net (Expense) Revenue	(8,610,874)	(10,174,425)	(7,915,365)	(6,145,845)	(4,951,064)	(5,696,601)	(5,359,072)	(5,828,983)	(9,631,610)	(9,568,333)
General Revenues and Transfers:										
Governmental activities	10,321,071	8,609,635	8,590,888	7,861,629	8,339,906	7,759,692	8,111,234	8,847,809	10,305,871	11,497,916
Business-type activities	201,052	212,247	(119,324)	(83,933)	(197,042)	(11,539)	(416,089)	(187,270)	20,678	(441,788)
Total General Revenues	10,522,123	8,821,882	8,471,564	7,777,696	8,142,864	7,728,153	7,695,145	8,660,539	10,326,549	11,056,128
Change in Net Position	\$ 1,911,249	\$ (1,352,543)	\$ 556,199	\$ 1,631,851	\$ 3,191,800	\$ 2,031,552	\$ 2,336,073	\$ 2,831,556	\$ 694,939	\$ 1,487,795

Note: Terminology for all years presented has been updated with the implementation of GASB Statement No. 63.

Town of Surfside, Florida
Government-wide Net Position by Category
Last Ten Fiscal Years
(accrual basis of accounting)

	September 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities										
Net investment in capital assets	\$ 8,014,197	\$ 9,102,085	\$ 9,205,412	\$ 9,596,672	\$ 14,039,238	\$ 13,528,097	\$ 13,562,457	\$ 14,538,578	\$ 15,652,978	\$ 15,329,431
Restricted	788,412	819,427	724,122	667,360	542,516	416,070	364,115	736,441	893,489	859,426
Unrestricted	9,945,446	7,935,915	7,737,702	7,981,329	4,527,580	5,086,491	5,345,914	6,887,306	5,147,901	7,298,940
Subtotal Governmental Activities Net Position	18,748,055	17,857,427	17,667,236	18,245,361	19,109,334	19,030,658	19,272,486	22,162,325	21,694,368	23,487,797
Business-type Activities										
Net investment in capital assets	740,133	963,195	1,278,825	2,037,308	4,102,675	11,239,664	12,832,672	9,873,871	8,615,955	9,113,550
Restricted	343,868	1,689,815	1,358,811	1,822,858	1,822,858	1,283,916	1,607,916	1,607,916	2,112,459	590,245
Unrestricted	4,039,113	2,008,189	2,769,953	2,601,149	2,863,609	(1,624,210)	(1,446,973)	1,453,545	2,775,453	3,494,438
Subtotal Business-type Activities Net Position	5,123,114	4,661,199	5,407,589	6,461,315	8,789,142	10,899,370	12,993,615	12,935,332	13,503,867	13,198,233
Primary Government										
Net investment in capital assets	8,754,330	10,065,280	10,484,237	11,633,980	18,141,913	24,767,761	26,395,129	24,412,449	24,268,933	24,442,981
Restricted	1,132,280	2,509,242	2,082,933	2,490,218	2,365,374	1,699,986	1,972,031	2,344,357	3,005,948	1,449,671
Unrestricted	13,984,559	9,944,104	10,507,655	10,582,478	7,391,189	3,462,281	3,898,941	8,340,851	7,923,354	10,793,378
Total Primary Government Net Position	\$ 23,871,169	\$ 22,518,626	\$ 23,074,825	\$ 24,706,676	\$ 27,898,476	\$ 29,930,028	\$ 32,266,101	\$ 35,097,657	\$ 35,198,235	\$ 36,686,030

Note: Terminology for all years presented has been updated with the implementation of GASB Statement No. 63.

Town of Surfside, Florida
General Governmental Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

For the Fiscal Year Ended September 30,										
Revenue Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	Amounts									
Taxes	\$ 9,039,295	\$ 7,956,540	\$ 7,561,627	\$ 6,936,623	\$ 7,294,963	\$ 6,984,747	\$ 6,977,949	\$ 7,969,540	\$ 9,570,983	\$ 10,379,984
Intergovernmental	858,405	887,507	1,131,454	745,540	967,988	830,878	844,891	1,126,412	942,305	947,680
Licenses and permits	340,597	169,749	198,504	374,556	459,549	1,274,946	1,395,993	2,205,974	715,657	939,870
Charges for services	162,549	125,120	123,327	144,757	166,183	207,563	224,177	254,554	287,864	293,325
Fines and forfeitures	205,692	287,324	199,614	190,243	570,227	678,567	711,444	856,269	989,320	1,210,689
Developer fees	-	-	-	-	-	-	350,000	1,395,000	76,980	554,446
Investment earnings	639,616	194,695	(36,049)	103,576	39,545	58,819	30,399	-	28,783	26,988
Miscellaneous	57,941	49,503	96,289	59,781	138,283	211,636	244,234	399,359	615,872	571,559
Total Revenues	\$ 11,304,095	\$ 9,670,438	\$ 9,274,766	\$ 8,555,076	\$ 9,636,738	\$ 10,247,156	\$ 10,779,087	\$ 14,207,108	\$ 13,227,764	\$ 14,924,541
<i>% change from prior year</i>	7.5%	-14.5%	-4.1%	-7.8%	12.6%	6.3%	5.2%	31.8%	-6.9%	12.8%
	Percentages									
Taxes	80.0%	82.3%	81.5%	81.1%	75.7%	68.2%	64.7%	56.1%	72.4%	69.5%
Intergovernmental	7.6%	9.2%	12.2%	8.7%	10.0%	8.1%	7.8%	7.9%	7.1%	6.3%
Licenses and permits	3.0%	1.8%	2.1%	4.4%	4.8%	12.4%	13.0%	15.5%	5.4%	6.3%
Charges for services	1.4%	1.3%	1.3%	1.7%	1.7%	2.0%	2.1%	1.8%	2.2%	2.0%
Fines and forfeitures	1.8%	3.0%	2.3%	2.2%	5.9%	6.6%	6.6%	6.0%	7.5%	8.1%
Developer fees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.2%	9.8%	0.6%	3.7%
Investment earnings	5.7%	2.0%	-0.4%	1.2%	0.4%	0.6%	0.3%	0.0%	0.2%	0.2%
Miscellaneous	0.5%	0.4%	1.0%	0.7%	1.4%	2.1%	2.3%	2.9%	4.7%	3.9%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:
 Applicable years' comprehensive annual financial report.

Town of Surfside, Florida
Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

For The Fiscal Year Ended September 30,	Amounts					Total
	Property	Resort	Utility	Franchise	Communications Service	
2007	\$ 7,377,056	\$ 477,563	\$ 457,905	\$ 453,901	\$ 272,870	\$ 9,039,295
2008	6,292,755	424,279	438,335	463,823	337,348	7,956,540
2009	6,325,721	366,867	66,825	416,728	385,486	7,561,627
2010	5,323,728	390,873	463,747	414,835	343,440	6,936,623
2011	5,619,494	435,175	470,350	416,277	353,667	7,294,963
2012	5,264,387	523,643	471,994	399,621	325,102	6,984,747
2013	5,257,726	523,999	503,592	394,613	298,019	6,977,949
2014	5,660,551	1,030,841	553,407	442,572	282,169	7,969,540
2015	6,526,267	1,755,945	568,462	451,450	268,859	9,570,983
2016	7,276,466	1,866,226	577,872	424,878	234,542	10,379,984
% Change in Dollars Over 10 Years	-1.4%	290.8%	26.2%	-6.4%	-14.0%	14.8%
	Percentage of Total					
2007	81.6%	5.3%	5.1%	5.0%	3.0%	100.0%
2008	79.1%	5.3%	5.5%	5.8%	4.2%	100.0%
2009	83.7%	4.9%	0.9%	5.5%	5.1%	100.0%
2010	76.7%	5.6%	6.7%	6.0%	5.0%	100.0%
2011	77.0%	6.0%	6.4%	5.7%	4.8%	100.0%
2012	75.4%	7.5%	6.8%	5.7%	4.6%	100.0%
2013	75.3%	7.5%	7.2%	5.7%	4.3%	100.0%
2014	71.0%	12.9%	6.9%	5.6%	3.6%	100.0%
2015	68.2%	18.3%	5.9%	4.7%	2.8%	100.0%
2016	70.0%	18.0%	5.6%	4.1%	2.3%	100.0%

Data Source:
 Applicable years' comprehensive annual financial report.

Town of Surfside, Florida
General Governmental Expenditures by Function
Last Ten Fiscal Years
(modified accrual basis of accounting)

For the Fiscal Year Ended September 30,

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Current:										
General government	\$ 3,549,729	\$ 3,828,840	\$ 2,703,868	\$ 2,315,554	\$ 2,303,523	\$ 2,917,765	\$ 3,388,046	\$ 3,072,346	\$ 3,241,326	\$ 3,159,302
Public safety	3,501,367	3,584,295	3,928,491	3,648,766	3,957,265	3,990,274	4,507,840	4,842,491	5,426,587	5,554,141
Public works	833,631	749,358	855,526	695,642	720,888	873,549	925,189	1,000,599	1,190,022	1,113,789
Leisure services	1,144,262	1,287,622	1,451,163	977,449	1,123,446	1,529,608	1,581,992	1,629,392	2,290,753	2,461,884
Transportation	76,722	159,979	99,476	91,037	106,292	117,044	123,254	142,272	174,620	310,767
Total Current	9,105,711	9,610,094	9,038,524	7,728,448	8,211,414	9,428,240	10,526,321	10,687,100	12,323,308	12,599,883
% Change From Prior Year	-3.4%	5.5%	-5.9%	-14.5%	6.2%	14.8%	11.6%	1.5%	15.3%	2.2%
Capital Outlay	321,287	1,903,727	611,486	877,372	5,157,666	650,979	591,077	1,619,235	1,806,345	262,468
% Change From Prior Year	-83.8%	492.5%	-67.9%	43.5%	487.9%	-87.4%	-9.2%	173.9%	11.6%	-85.5%
Debt Service										
Principal	-	-	-	-	-	72,944	123,380	138,236	169,279	100,013
Interest	-	-	-	-	-	4,754	6,045	5,787	5,475	3,213
Total Debt Service	-	-	-	-	-	77,698	129,425	144,023	174,754	103,226
% Change From Prior Year	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Expenditures	\$ 9,426,998	\$ 11,513,821	\$ 9,650,010	\$ 8,605,820	\$ 13,369,080	\$ 10,156,917	\$ 11,246,823	\$ 12,450,358	\$ 14,304,407	\$ 12,965,577
% Change From Prior Year	-17.3%	22.1%	-16.2%	-10.8%	55.3%	-24.0%	10.7%	10.7%	14.9%	-9.4%
Debt Service as a % of Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	1.2%	1.5%	1.2%	0.8%

Data Source:
 Applicable years' comprehensive annual financial report.

Town of Surfside, Florida
General Governmental Current Expenditures by Function
Last Ten Fiscal Years
(modified accrual basis of accounting)

For the Fiscal Year Ended September 30,

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Current:										
General government	\$ 3,549,729	\$ 3,828,840	\$ 2,703,868	\$ 2,315,554	\$ 2,303,523	\$ 2,917,765	\$ 3,388,046	\$ 3,072,346	\$ 3,241,326	\$ 3,159,302
Public safety	3,501,367	3,584,295	3,928,491	3,648,766	3,957,265	3,990,274	4,507,840	4,842,491	5,426,587	5,554,141
Physical environment	833,631	749,358	855,526	695,642	720,888	873,549	925,189	1,000,599	1,190,022	1,113,789
Leisure services	1,144,262	1,287,622	1,451,163	977,449	1,123,446	1,529,608	1,581,992	1,629,392	2,290,753	2,461,884
Transportation	76,722	159,979	99,476	91,037	106,292	117,044	123,254	142,272	174,620	310,767
Total Current	\$ 9,105,711	\$ 9,610,094	\$ 9,038,524	\$ 7,728,448	\$ 8,211,414	\$ 9,428,240	\$ 10,526,321	\$ 10,687,100	\$ 12,323,308	\$ 12,599,883
Current:										
General government	39.0%	39.8%	29.9%	30.0%	28.1%	30.9%	32.2%	28.7%	26.3%	25.1%
Public safety	38.5%	37.3%	43.5%	47.2%	48.2%	42.3%	42.8%	45.3%	44.0%	44.1%
Physical environment	9.2%	7.8%	9.5%	9.0%	8.8%	9.3%	8.8%	9.4%	9.7%	8.8%
Leisure services	12.6%	13.4%	16.1%	12.6%	13.7%	16.2%	15.0%	15.2%	18.6%	19.5%
Transportation	0.7%	1.7%	1.0%	1.2%	1.3%	1.3%	1.3%	1.4%	1.4%	2.5%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:

Applicable years' comprehensive annual financial report.

Town of Surfside, Florida
Summary of Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Revenues	\$ 11,304,095	\$ 9,670,438	\$ 9,274,766	\$ 8,555,076	\$ 9,636,738	\$ 10,247,156	\$ 10,779,087	\$ 14,207,108	\$ 13,227,764	\$ 14,924,541
Total Expenditures	9,426,998	11,513,821	9,650,010	8,605,820	13,369,080	10,156,917	11,246,823	12,450,358	14,304,407	12,965,577
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,877,097	(1,843,383)	(375,244)	(50,744)	(3,732,342)	90,239	(467,736)	1,756,750	(1,076,643)	1,958,964
Other Financing Sources (Uses)										
Inception of capital leases	-	-	-	-	-	500,074	-	82,559	127,784	-
Transfers in	161,738	2,665,101	232,878	5,239,461	356,532	394,565	411,560	654,770	1,034,191	661,092
Transfers out	(161,738)	(2,776,041)	(110,985)	(5,030,959)	(144,360)	(368,236)	(9,282)	(465,000)	(1,053,463)	(219,084)
Total Other Financing Sources (Uses)	-	(110,940)	121,893	208,502	212,172	526,403	402,278	272,329	108,512	442,008
Net Change in Fund Balances	\$ 1,877,097	\$ (1,954,323)	\$ (253,351)	\$ 157,758	\$ (3,520,170)	\$ 616,642	\$ (65,458)	\$ 2,029,079	\$ (968,131)	\$ 2,400,972

Data Source:

Applicable years' comprehensive annual financial report.

Town of Surfside, Florida
Fund Balances - Governmental Funds
Fiscal Years 2007 - 2009
(modified accrual basis of accounting)

	September 30,		
	2007	2008	2009
General Fund			
Reserved	\$ 104,240	\$ 101,996	\$ 117,013
Unreserved	7,223,228	6,786,540	7,178,522
Total General Fund	7,327,468	6,888,536	7,295,535
General Fund % Change From Prior Year	37.3%	-6.0%	5.9%
All Other Governmental Funds			
Reserved ¹	3,919	8,590	-
Unreserved			
Special Revenue Funds	1,023,426	783,701	724,122
Capital Projects Funds	2,413,858	1,133,521	541,340
Total All Other Governmental Funds	3,441,203	1,925,812	1,265,462
All Other Governmental Funds % Change From Prior Year	23.0%	-44.0%	-34.3%
Total Governmental Funds			
Reserved	108,159	110,586	117,013
Unreserved	10,660,512	8,703,762	8,443,984
Total Governmental Funds	\$ 10,768,671	\$ 8,814,348	\$ 8,560,997
All Governmental Funds % Change From Prior Year	32.4%	-18.1%	-2.9%

Notes:

The Town implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions*, in Fiscal Year 2010 (see Exhibit XII). The Town did not restate the prior years.

Data Source:

Applicable years' comprehensive annual financial report.

Town of Surfside, Florida
Fund Balances - Governmental Funds
Fiscal Years 2010 - 2016
(modified accrual basis of accounting)

	September 30,						
	2010	2011	2012	2013	2014	2015	2016
General Fund:							
Assigned to:							
Emergencies and cash flows	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Subsequent years' expenditures	-	95,175	-	-	-	-	-
Nonspendable:							
Prepaid items	107,171	109,532	144,738	152,767	162,118	183,442	198,405
Asset held for resale	188,000	-	-	-	-	-	-
Unassigned	867,867	2,051,608	3,121,636	3,151,275	4,204,273	3,722,284	5,170,003
Total General Fund	3,163,038	4,256,315	5,266,374	5,304,042	6,366,391	5,905,726	7,368,408
General Fund % Change From Prior Year	-56.5%	34.6%	23.7%	0.7%	20.0%	-7.2%	24.8%
All Other Governmental Funds:							
Nonspendable:							
Prepaid items	-	-	-	-	222	2,250	6154
Restricted for:							
Tourism	179,035	184,867	171,496	94,497	180,075	339,396	363407
Transportation surtax	416,500	239,760	122,302	131,475	396,740	440,662	354264
Police forfeiture	71,825	117,889	122,272	138,143	159,626	113,431	141755
Committed to:							
Capital projects	4,201,479	-	-	-	-	-	-
Assigned to:							
Capital projects	686,878	399,754	132,783	255,263	849,445	182,903	1151352
Total All Other Governmental Funds:	5,555,717	942,270	548,853	619,378	1,586,108	1,078,642	2016932
All Other Governmental Funds % Change From Prior Year	339.0%	-100.0%	-41.8%	12.8%	156.1%	-32.0%	87.0%
Total Governmental Funds	\$ 8,718,755	\$ 5,198,585	\$ 5,815,227	\$ 5,923,420	\$ 7,952,499	\$ 6,984,368	\$ 9,385,340
All Governmental Funds % Change From Prior Year	1.8%	-100.0%	11.9%	1.9%	34.3%	-12.2%	34.4%

Notes:

The Town implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions*, in Fiscal Year 2010. The Town did not restate the prior years.

Data Source:

Applicable years' comprehensive annual financial report.

Town of Surfside, Florida
Taxable Assessed Value - Real and Personal Property
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property		Total Taxable Assessed Value ¹	Total Direct Tax Rate ²	Total Annual Percentage Change
	Amount	Percentage Change	Amount	Percentage Change			
2007	\$ 1,434,501,842	26.9%	\$ 15,720,579	-7.3%	\$ 1,450,222,421	5.6000	26.4%
2008	1,644,730,371	14.7%	15,702,111	-0.1%	1,660,432,482	4.2500	14.5%
2009	1,513,235,324	-8.0%	18,434,095	17.4%	1,531,669,419	5.3580	-7.8%
2010	1,270,680,301	-16.0%	12,720,930	-31.0%	1,283,401,231	4.7332	-16.2%
2011	1,050,695,131	-17.3%	12,264,492	-3.6%	1,062,959,623	5.9499	-17.2%
2012	1,005,246,014	-4.3%	12,412,260	1.2%	1,017,658,274	5.5000	-4.3%
2013	1,049,864,041	4.4%	12,350,185	-0.5%	1,062,214,226	5.3000	4.4%
2014	1,130,937,104	7.7%	13,134,146	6.3%	1,144,071,250	5.2000	7.7%
2015	1,314,584,538	16.2%	22,291,469	69.7%	1,336,876,007	5.2000	16.9%
2016	1,476,296,054	12.3%	26,459,166	18.7%	1,502,755,219	5.0293	12.4%
*	\$ 1,289,077,072		\$ 16,148,943		\$ 1,305,226,015		
**	2.9%		68.3%		3.6%		

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

¹ All property is assessed at 100% of fair market value.

² Tax rates expressed in rate per \$1,000

Data Source:

Miami-Dade County Property Appraiser

Town of Surfside, Florida
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed taxable value)

Fiscal Year	Overlapping Rates ¹													Total Direct and overlapping Millage
	Direct City			Miami-Dade County			Miami-Dade County School Board			Miami-Dade County			Total Direct and overlapping Millage	
	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Operating Millage	Debt Service Millage	Total School Millage	Water Management District	Environmental Project	Special District ²		
2007	5.6000	0.2850	5.9000	7.6910	0.4140	8.1050	0.5970	0.1000	0.0385	0.4223	2.6090	0.0420	23.4138	
2008	4.2500	0.2850	4.8646	7.5700	0.3780	7.9480	0.5346	0.0894	0.0345	0.4223	2.2067	0.0420	20.3921	
2009	4.7332	0.2850	5.1229	7.5330	0.2640	7.7970	0.5346	0.0894	0.0345	0.4212	2.1851	0.0420	20.9599	
2010	4.7332	0.2850	5.1229	7.6980	0.2970	7.9950	0.5346	0.0894	0.0345	0.5000	2.1851	0.0420	21.2367	
2011	5.5000	0.2850	5.0900	7.7650	0.2400	8.0050	0.3739	0.0624	0.0345	0.5000	2.4496	0.0131	22.0285	
2012	5.3000	0.2850	4.9885	7.7650	0.2330	7.9980	0.3676	0.0613	0.0345	0.5000	2.4496	0.0131	21.7126	
2013	5.2000	0.4220	5.1255	7.6440	0.3330	7.9770	0.3523	0.0587	0.0345	0.5000	2.4496	0.0127	21.7103	
2014	5.0293	0.4500	5.1169	7.7750	0.1990	7.9740	0.1577	0.0548	0.2062	0.5000	2.4207	0.0114	21.4710	
2015	5.0293	0.4500	5.1169	7.4130	0.1990	7.6120	0.1459	0.0506	0.1906	0.5000	2.4207	0.0075	21.0735	
2016	5.0144	0.4000	5.0669	7.1380	0.1840	7.3220	0.1359	0.0471	0.0000	0.5000	2.4207	0.0075	20.5145	

Notes:

¹ Overlapping rates are those of governments that overlap the Town's geographic boundaries

² Beginning in fiscal year 2014, this classification includes a FIND and the Okeechobee Basin.

Data Source:

http://www.miamidade.gov/pa/millage_tables.asp

Town of Surfside, Florida
Total Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Total Taxes Collected		Total Uncollected Taxes	
		Amount	Percentage of Levy	Amount	Percentage of Levy
2007	\$ 7,675,734	\$ 7,377,056	96.11%	\$ 298,678	3.89%
2008	6,702,904	6,292,755	93.88%	410,149	6.12%
2009	7,503,530	6,325,721	84.30%	1,177,809	15.70%
2010	5,550,925	5,323,728	95.91%	227,197	4.09%
2011	6,364,758	5,619,494	88.29%	745,264	11.71%
2012	5,597,121	5,264,387	94.06%	332,734	5.94%
2013	5,348,249	5,257,726	98.31%	90,523	1.69%
2014	5,651,712	5,660,551	100.16%	-	0.00%
2015	6,387,373	6,526,267	102.17%	-	0.00%
2016	7,179,916	7,147,997	99.56%	-	0.00%

Notes:

Currently, the tax collections are not available for the year to which they apply.

Data Source:

Town Finance Department

Town of Surfside, Florida
Principal Real Property Taxpayers
Fiscal Years Ended September 30, 2016 and 2010

	2016			2010			
	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank
SC Residences Condominium LLC	\$ 68,792,111	1	4.66%	The Surf Club	\$ 40,373,960	1	3.18%
Beach House Property, LLC	52,000,000	2	3.52%	9379 Realty Group	13,970,000	2	1.10%
Chateau Ocean LLC	27,465,590	3	1.86%	Beach House Property, LLC	9,000,000	3	0.71%
Fort Capital Management LLC Trs	25,097,403	4	1.70%	Publix Super Markets, Inc.	8,380,000	4	0.66%
Surfside Bal Harbour LLC	24,500,000	5	1.66%	Ohio Savings Bank	5,736,360	5	0.45%
The Surf Club Apartments Inc	19,636,100	6	1.33%	Transactaa Lanai Development LTD	5,695,000	6	0.45%
Bluegreen Vacations Unlimited Inc	11,255,286	7	0.76%	Collins Avenue Investment Group	3,800,000	7	0.30%
Publix Super Markets, Inc.	8,335,042	8	0.56%	9501 Collins Avenue, LLC	3,289,000	8	0.26%
HDP TLD Partners LLC	7,365,633	9	0.50%	Robert and Rita Swerdlow	2,993,148	9	0.24%
9040 LLC	6,524,000	10	0.44%	Yoram and Yleana Izhak	2,614,259	10	0.21%
Total Principal Taxpayers	250,971,165		17.00%	Total Principal Taxpayers	95,851,727		7.54%
All Other Taxpayers	1,225,324,889		83.00%	All Other Taxpayers	1,174,828,574		92.46%
Total	\$ 1,476,296,054		100.00%	Total	\$ 1,270,680,301		100.00%

Data Source:
Town records.

Note: Principal real property taxpayers not available prior to 2010.

Town of Surfside, Florida
Principal Personal Property Taxpayers
Fiscal Years Ended September 30, 2016 and 2010

		2016			2010			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	
Florida Power and Light Company	\$ 5,859,149	1	22.14%	Florida Power and Light Company	\$ 5,242,893	1	41.21%	
Bellsouth Telecommunications Inc	1,037,797	2	3.92%	Atlantic Broadband	1,209,127	2	9.51%	
Peoples Gas System	892,191	3	3.37%	Bell South Telecommunications, Inc.	857,154	3	6.74%	
Atlantic Broadband (Miami) LLC	842,085	4	3.18%	Publix Super Markets, Inc.	814,421	4	6.40%	
Publix Super Markets Inc	483,300	5	1.83%	People's Gas System	652,838	5	5.13%	
Holiday CVS LLC	294,541	6	1.11%	The Surf Club	332,063	6	2.61%	
Champlain Towers North	188,705	7	0.71%	Café Ragazzi	258,972	7	2.04%	
Flanigan's Seafood Bar & Grill	156,506	8	0.59%	CVS	196,807	8	1.55%	
Yudah Ari Benmergui DDS	141,607	9	0.54%	Modular Space Corporation	148,275	9	1.17%	
JP Morgan Chase Bank NA	135,141	10	0.51%	Food Gang Restaurant	147,000	10	1.16%	
Total Principal Taxpayers	10,031,022		37.91%	Total Principal Taxpayers	9,859,550		77.51%	
All Other Taxpayers	16,428,144		62.09%	All Other Taxpayers	2,861,380		22.49%	
Total	\$ 26,459,166		100.00%	Total	\$ 12,720,930		100.00%	

Data Source:

Town records.

Note: Principal person property taxpayers not available prior to 2010.

Town of Surfside, Florida
Ratios of Total Debt Outstanding by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-type Activities				Grand Total	Population	Total Debt Per Capita
	Capital Leases	Revenue Bonds	Notes Payable	Loans Payable	Capital Leases	Total			
2007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,775	\$ -	
2008	-	-	-	-	-	-	5,789	-	
2009	-	-	-	-	-	-	5,838	-	
2010	-	-	-	-	-	-	5,744	-	
2011	-	16,000,000	240,000	-	-	16,240,000	5,760	2,819	
2012	427,130	11,507,445	160,000	-	-	11,667,445	5,776	2,094	
2013	303,749	10,985,348	80,000	7,255,844	-	18,321,192	5,924	3,144	
2014	242,734	10,438,608	-	8,821,720	49,778	19,310,106	5,954	3,284	
2015	201,239	9,866,062	-	8,591,249	38,123	18,495,434	5,954	3,140	
2016	101,266	9,266,490	-	8,172,054	25,957	17,464,501	5,800	3,029	

Data Sources:

Town's Financial Statements

Notes:

There are no public schools located within the Town.

There is no personal income data for the Town to calculate "debt as a percentage of personal income."

**Town of Surfside, Florida
Pledged Revenue Coverage
Last Four Fiscal Years**

Fiscal Year ¹	Revenues ²	Transfer from (to) Rate Stabilization Fund	Less Operating Expenses ³	Net Available Revenues	Principal	Interest	Total	Coverage		
								Ratio	Required	Excess Coverage
2013	\$ 3,134,620	\$ 81,719	\$ 1,902,646	\$ 1,313,693	\$ 522,097	\$ 620,245	\$ 1,142,342	1.15	1.15	0.00
2014	3,414,657	27,418	1,843,026	1,599,049	735,936	654,541	1,390,477	1.15	1.15	0.00
2015	3,923,726	(109,137)	1,603,367	2,211,222	803,017	657,311	1,460,328	1.51	1.15	0.36
2016^{4,5}										
Primary Debt Service Coverage										
Net Operating Revenues										
Investment Earnings										
Net transfer from (to) Rate Stabilization Fund										
Net revenues available for debt service										
Debt service requirements										
Actual coverage										
Required coverage										
State Revolving Fund Loan Debt Service Coverage										
Net revenues available for debt service										
Less revenue required for primary debt service										
Adjusted net revenues										
Debt service requirements										
Actual coverage										
Required coverage										

Notes:

- ¹ Bonds first issued in fiscal year 2011.
- ² Includes, water, sewer and stormwater revenues.
- ³ Excludes depreciation expense.
- ⁴ Ratio requirements for the 2011 Utility Bonds are 1.10 and 1.15 for the State Revolving Fund Loan.
- ⁵ The Town changed the format of their pledge revenue coverage in 2016

Town of Surfside, Florida
Direct and Overlapping Governmental Activities Debt
 September 30, 2016

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ¹</u>	<u>Estimated Share of Underlying Debt</u>
Direct Debt			
Capital leases	\$ 101,266	100%	<u>\$ 101,266</u>
Overlapping Debt			
Miami-Dade County ²	337,019,000	0.40%	\$ 1,348,076
Miami-Dade County School Board ³	1,528,306	0.40%	<u>6,113</u>
Total Overlapping Debt			<u>\$ 1,354,189</u>
Total Direct and Overlapping Debt			<u>\$ 1,455,455</u>

Notes:

¹ Applicable percentage was estimated by determining the portion of the Town's assessed value of \$1,336,876,007 for 2014-15 that is within the County's geographic boundaries.

² As of September 30, 2016

³ As of June 30, 2016

Data Source:

Each specific government

Town of Surfside, Florida
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population ¹	Per Capita Personal Income ²	Unemployment Rate		
			County ³	State of Florida ⁴	United States ⁵
2007	5,775	\$ 35,791	3.6%	5.5%	5.0%
2008	5,789	37,264	5.3%	6.5%	7.3%
2009	5,838	37,909	8.9%	9.3%	9.9%
2010	5,744	35,972	12.0%	9.4%	9.3%
2011	5,760	38,870	12.7%	10.2%	8.5%
2012	5,776	39,466	9.7%	9.0%	7.9%
2013	5,924	40,680	8.9%	8.5%	6.7%
2014	5,954	43,124	7.2%	7.8%	5.6%
2015	5,703	43,917	6.2%	5.4%	4.9%
2016	5,544	43,917	5.8%	5.1%	4.9%

Notes:

Information not presented, not readily available
 There are no public schools located within the Town.

Data Sources:

- ¹ Bureau of Economic and Business Research, University of Florida, April 1 of each year
- ² Miami-Dade County comprehensive annual financial report
- ³ Miami-Dade County comprehensive annual financial report
- ⁴ Real Estate Center, <http://recenter.tamu.edu/data/emp/emp/st12.asp>
- ⁵ U.S. Department of Labor, Bureau of Labor Statistics.

Town of Surfside, Florida
Principal Employers
For the Fiscal Years Ended September 30, 2016 and 2007

2016			
Employer	Type of Business	Number of Employees	Rank
Beach House Hotel D/B/A Grand Beach	Hotel	250	1
Publix Super Market, Inc.	Supermarket	103	2
Town of Surfside	Government	99	3
Flanigan's Seafood Bar & Grill	Restaurant	51	4
Harding Realty	Real Estate Agency	31	5
M. Kotler Realty	Real Estate Agency	29	6
CVS, LLC.	Pharmacy	27	7
Gray & Sons South FL Gold & Silver Exchange	Jewelry	18	8
Harbor Pita D/B/A Harbor Grill	Restaurant	3	9
The Surf Club	Resort	-	10
Total Principal Employers		611	
2007			
Employer	Type of Business	Number of Employees	Rank
Public Supermarkets	Retail	159	1
Surf Club	Resort	132	2
Town of Surfside	Government	118	3
CVS Pharmacy	Retail	19	4
Best Western Hotels	Hotel	35	5
Solara	Apartment Rentals	28	6
Flanigans	Restaurant	68	7
Wachovia	Bank	7	8
Rolling Pin Bakery	Retail	7	9
Emergency Dental Center	Retail	4	10
Total Principal Employers		576	

Data Source:
Town records.

Town of Surfside, Florida
Full-time Funded Positions by Function/Program
Last Ten Fiscal Years

<u>Function/program</u>	For the Fiscal Year Ended September 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Legislative	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Town Attorney	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00
Executive	10.00	6.00	5.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00
Financial Support Services	-	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00
Town Clerk	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Building Services	3.00	3.00	3.00	2.00	3.00	3.00	4.00	4.00	4.00	4.00
Total General Government	20.00	19.00	19.00	18.00	19.00	20.00	22.00	22.00	23.00	23.00
Public Safety										
Public Safety	42.00	44.00	44.00	34.50	33.00	31.75	32.25	33.25	34.25	34.25
Municipal Parking	2.00	2.00	2.00	2.50	3.00	5.00	6.75	6.75	6.75	6.75
Total Public Safety	44.00	46.00	46.00	37.00	36.00	36.75	39.00	40.00	41.00	41.00
Public Works										
Public Works	9.00	8.00	7.25	5.25	6.25	5.25	6.25	6.65	6.65	6.65
Water/Sewer	5.00	5.00	5.25	5.25	5.25	5.75	5.25	4.55	4.55	4.55
Solid Waste	12.00	12.00	12.25	10.25	10.25	10.25	10.25	11.25	10.25	10.25
Stormwater	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.55	1.55	1.55
Total Public Works	27.00	26.00	26.00	22.00	23.00	22.50	23.00	24.00	23.00	23.00
Leisure Services										
Leisure Services	23.00	17.00	17.00	7.00	10.00	10.75	11.32	11.32	11.32	11.32
Tourism	1.00	1.00	2.00	1.00	1.00	1.00	0.68	0.68	0.68	0.68
Library Services	3.00	3.00	3.00	-	-	-	-	-	-	-
Total Leisure Services	27.00	21.00	22.00	8.00	11.00	11.75	12.00	12.00	12.00	12.00
Total	118.00	112.00	113.00	85.00	89.00	89.00	96.00	98.00	99.00	99.00
Percentage Change From Prior Year	0.9%	-5.1%	0.9%	-24.8%	4.7%	0.0%	7.9%	2.1%	1.0%	0.0%

Data Source:
Town Records

Town of Surfside, Florida
Operating Statistics by Function/Program
Last Ten Fiscal Years

Function/program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public safety:										
Police										
Uniformed employees	32	32	28	27	27	27	27	29	39	39
Non-uniformed employees	14	15	11	7	9	9	12	6	1	2
Dispatched responses	18,109	23,640	19,751	16,545	19,800	23,097	31,337	20,310	22,978	20,798
Traffic citations issued	-	7,968	6,782	5,752	5,289	4,814	5,475	4,637	4,659	5,059
Traffic warnings issued	-	-	-	4,333	4,067	5,139	3,867	3,808	3,839	3,620
Parking violations issued	4,304	6,863	7,407	6,060	9,833	11,884	19,607	13,963	14,204	13,861
Building permits:										
Permits issued	1,177	779	700	923	1,073	931	1,072	1,037	1,618	1,595
Estimated values (in millions)	\$40,045	\$5,797	\$6,559	\$16,147	\$84,806	\$ 36,392	\$71,790	\$69,500	\$259,152,489	\$ 5,884,371,369
Utility:										
Municipal water system										
Active water accounts	1544	1547	1549	1551	1,551	1,647	1,680	1,687	1,687	1,648
New active accounts	-	-	-	-	-	-	-	-	-	-
Meter sales (in million gallons)	335,789	298,102	314,304	307,723	328,519	276,650	2,631,277	2,903,213	315,644,500	331,969,100
Municipal sewer system										
Active accounts/units	4058	4059	4059	4061	4061	4061	4061	4061	4061	4,061
Solid waste services										
Active accounts	1345	1346	1348	1349	1344	1344	1344	1344	1344	1,344
General government:										
Tax rates										
Utility services:										
Electric	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Communication service	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%
Gas	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Franchises:										
Electric	6%	6%	6%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
Communication service	**	**	**	**	**	**	**	**	**	**
Gas	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Cable television	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Surfside Bus Service										
Total number of passengers	-	-	16,173	18,813	21,543	12,947	21,514	24,083	28,868	33,029
Average number of passengers per month	-	-	1,348	1,568	1,795	1,079	1,792	2,006	2,406	2,752
Total number of miles driven	-	-	23,648	29,260	32,401	30,775	34,805	34,906	24,742	19,465
Average number of miles driven per month	-	-	1,971	2,438	2,700	2,565	2,900	2,909	2,061	1,622
Culture and recreation:										
Participation:										
Youth programs	650	403	551	658	960	1,005	1,043	2,825	5,280	1,427
Adult programs	455	228	234	463	555	781	1,232	1,349	1,521	1,526
Special events	2,990	3,390	3,300	3,340	4,280	4,630	5,727	7,734	7,840	4,570
Community Center	-	-	-	-	17,517	29,028	24,830	22,826	24,705	22,365

Notes:
 Data not available for items not presented.

Data Source
 Various Town Departments

Town of Surfside, Florida
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Area:										
Land excluding airport (sq. miles)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Water	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Infrastructure:										
Paved streets	10	10	10	10	10	10	25	25	25	25
Sidewalks	1 mile	1 mile	1 mile	1 mile	1 mile	1 mile	6 mile	6 mile	6 mile	6 mile
Canals & waterways	-	-	-	-	-	-	-	-	-	-
Storm Drainage (catch basins)	388	388	388	388	388	388	388	388	388	388
Town owned street lights	37	37	37	37	37	37	37	37	37	37
FP&L owned street lights	293	293	293	293	293	293	293	293	293	293
Public Safety:										
Fire Stations	-	-	-	-	-	-	-	-	-	-
Police Stations	1	1	1	1	1	1	1	1	1	1
Recreation:										
Public Beach (miles)	1	1	1	1	1	1	1	1	1	1
Municipal Parks	3	3	3	3	3	3	3	3	3	3
Municipal Swimming Pool	1	-	-	-	-	-	2	1	1	1
Recreation Acres (without-with Beach)	53-90	53-90	53-90	53-90	53-90	53-90	53-90	53-90	53-90	53-90
Community Center	1	-	-	-	1	1	1	1	1	1
Tennis Courts	-	-	-	-	-	-	-	-	-	-
Municipal Water/Sewer System:										
Water mains (miles)	15.7	15.7	15.7	15.7	15.7	15.7	25	25	25	25
Reuse water mains (miles)	-	-	-	-	-	-	-	-	-	-
Fire hydrants	84	84	84	84	84	84	84	84	84	84
Fire hydrants (reuse water)	-	-	-	-	-	-	-	-	-	-
Gravity Sewer (miles)	9.25	9.25	9.25	9.25	9.25	9.25	9.25	9.25	9.25	9.25
Wastewater force main (miles)	0.3	0.3	0.3	0.3	0.3	0.3	1	1	1	1
Wastewater lift stations	2	2	2	2	2	2	2	2	2	2
Municipal Parking:										
Parking lots	6	6	6	6	6	6	7	7	8	8
Pay Station Parking Spaces	572	572	572	572	572	572	572	572	629	629
Metered Pay Stations	0	0	0	0	0	0	0	0	29	29
Single Space Meters	0	0	0	0	0	0	0	0	50	50

REPORTING SECTION



**REPORT OF INDEPENDENT AUDITOR ON
INTERNAL CONTROLS OVER FINANCIAL
REPORTING AND ON OTHER MATTERS BASED
ON AN AUDIT OF THE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS.**

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

To the Honorable Mayor, Town Commission and Town Manager
Town of Surfside, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Surfside, Florida (the Town) as of and for the fiscal year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated June 30, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 Town'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 the Report

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

Marcum LLP

Miami, FL
June 30, 2017

**MANAGEMENT LETTER IN ACCORDANCE
WITH THE RULES OF THE
AUDITOR GENERAL
OF THE STATE OF FLORIDA**

**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE
AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Honorable Mayor, Town Commission and Town Manager
Town of Surfside, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Surfside, Florida (the Town), as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated June 30, 2017.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reports

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 30, 2017, 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 recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Town was established by the Town's charter, which was adopted under the provisions of Chapter 279.14 Laws of Florida in 1951. There are no component units related to the Town.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the Town 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 Town 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 Town'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. This assessment was done as of the fiscal year end.

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the Town for the fiscal year ended September 30, 2016, 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, 2016. 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 did not have any such recommendations.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal, State and other granting agencies, the Honorable Mayor, Town Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Marcum LLP

Miami, FL
June 30, 2017

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE PURSUANT TO
SECTION 218.415 FLORIDA STATUTES**

To the Honorable Mayor, Town Commission and Town Manager
Town of Surfside, Florida

We have examined the Town of Surfside's (the Town) compliance with Section 218.415 Florida Statutes for the fiscal year ended September 30, 2016. Management is responsible for the Town's compliance with the specified requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with Section 218.415 Florida Statutes for the fiscal year ended September 30, 2016.

This report is intended to describe our testing of compliance with Section 218.415 Florida Statutes and it is not suitable for any other purpose.

Marcum LLP

Miami, FL
June 30, 2017



TOWN OF SURFSIDE, FLORIDA

9293 HARDING AVENUE

SURFSIDE, FL 33154

(305) 861-4863

www.townofsurfsidefl.gov

TOWN OF SURFSIDE, FLORIDA

**FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
LOAN NO. WW131710**

**SCHEDULE OF LOAN
REVENUE AND EXPENDITURES – BUDGET AND ACTUAL**

**FOR THE PERIOD FROM AUGUST 24, 2012
(DATE OF LOAN INCEPTION) THROUGH SEPTEMBER 30, 2015**

TOWN OF SURFSIDE, FLORIDA
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION LOAN NO. WW131710
SCHEDULE OF LOAN REVENUE AND EXPENDITURES – BUDGET AND ACTUAL
FOR THE PERIOD FROM AUGUST 24, 2012
(DATE OF LOAN INCEPTION) THROUGH SEPTEMBER 30, 2015

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, Town Commission and Town Manager
Town of Surfside, Florida

Report on the Schedule

We have audited the accompanying schedule of loan revenue and expenditures – budget and actual (the schedule) of the Town of Surfside, Florida (the Town), State of Florida Department of Environmental Protection (FDEP) Loan No. WW131710 for the period from August 24, 2012 (date of loan inception) through September 30, 2015. This schedule is the responsibility of the Town's management. Our responsibility is to express an opinion on this schedule based on our audit.

Management's Responsibility for the Schedule

Management is responsible for the preparation and fair presentation of this schedule in accordance with the basis of accounting prescribed by Chapter 62-503, Florida Administrative Code and the State of Florida Department of Environmental Protection; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this schedule 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*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule, 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 schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

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

Opinion

In our opinion, the schedule of loan revenue and expenditures – budget and actual referred to above present fairly, in all material respects, the loan revenue and expenditures – budget and actual of the Town’s State of Florida Department of Environmental Protection Loan No. WW131710 for the period from August 24, 2012 (date of loan inception) through September 30, 2015.

Emphasis of a Matter

We draw attention to Note 2 of the schedule which describes the basis of accounting. The schedule is prepared on the basis of accounting prescribed by the Chapter 62-503, Florida Administrative Code and State of Florida Department of Environmental Protection in order to comply with the loan agreement between the Town and FDEP. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2017, on our consideration of the Town’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Marcum LLP

Miami, FL
June 30, 2017

TOWN OF SURFSIDE, FLORIDA

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION LOAN NO. WW131710

SCHEDULE OF LOAN REVENUE AND EXPENDITURES - BUDGET AND ACTUAL

FOR THE PERIOD FROM AUGUST 24, 2012

(DATE OF LOAN INCEPTION) THROUGH SEPTEMBER 30, 2015

	<u>Budget (1)</u>	<u>Actual</u>
Revenue		
State of Florida loan proceeds	\$ 9,298,806	\$ 9,298,806
Expenditures		
Construction and demolition	9,095,000	9,095,000
Capitalized interest	21,906	21,906
Loan service fee	<u>181,900</u>	<u>181,900</u>
Total Expenditures	<u>9,298,806</u>	<u>9,298,806</u>
Excess of Revenue over Expenditures	<u>\$ --</u>	<u>\$ --</u>

(1) Source: Amendment #2 dated December 3, 2014

The accompanying notes are an integral part of this schedule.

TOWN OF SURFSIDE, FLORIDA

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION LOAN NO. WW131710

**NOTES TO SCHEDULE OF LOAN REVENUE AND EXPENDITURES –
BUDGET AND ACTUAL**

**FOR THE PERIOD FROM AUGUST 24, 2012
(DATE OF LOAN INCEPTION) THROUGH SEPTEMBER 30, 2015**

NOTE 1 - GENERAL

The Town of Surfside, Florida (the Town) was incorporated on May 19, 1935. The Town of Surfside's Charter was adopted under the provisions of Chapter 27914, Laws of Florida, 1951. The Town is governed by an elected five-member Town Commissioners and operates under a commissioner-manager form of government. The Town provides services to its approximately 6,000 residents in many areas including general government and administrative services, public safety (police), physical environment, solid waste collection, transportation (maintenance of roads and streets), culture and recreation, tourism development, water/sewer and stormwater utilities.

LOAN NO. WW131710

The projects financed by this loan consist of furnishing all labor, materials, and equipment to construct the infrastructure rehabilitation (sewer & stormwater) project in accordance with the plans and specifications accepted by the State of Florida Department of Environmental Protection (FDEP) for the "Infrastructure Rehabilitation Project" contract. The loan has been identified as state financial assistance funded through the FDEP.

NOTE 2 - BASIS OF ACCOUNTING

The schedule of loan revenue and expenditures – budget and actual is prepared on the basis of accounting prescribed by Chapter 62-503, Florida Administrative Code, and the State of Florida Department of Environmental Protection in order to comply with the loan agreement described above between the Town and FDEP. Under this basis, loan proceeds are recognized as revenue when monies are received. Expenditures are recognized when the liabilities are incurred. The schedule of loan revenue and expenditures – budget and actual cover the projects described in the loan agreement and is not representative of the Town taken as a whole.

NOTE 3 - CONTINGENCY

The loan revenue amount from the FDEP is subject to audit and adjustment. If any expenditures are disallowed by the FDEP as a result of such an audit, any claim for reimbursement to the FDEP would become a liability of the Town. In the opinion of management, all loan expenditures are in compliance with the terms of the loan agreement and Chapter 62-503 of the Florida Administrative Code.

TOWN OF SURFSIDE, FLORIDA

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION LOAN NO. WW131710

**NOTES TO SCHEDULE OF LOAN REVENUE AND EXPENDITURES –
BUDGET AND ACTUAL**

**FOR THE PERIOD FROM AUGUST 24, 2012
(DATE OF LOAN INCEPTION) THROUGH SEPTEMBER 30, 2015**

NOTE 4 - BUDGET

Budget amounts, including all amendments, are required to be approved by FDEP.

NOTE 5 - LOAN DEBT SERVICE RESERVE

The loan agreement requires a loan debt service reserve to be established. The reserve was established in the amount of \$243,000 for sewer and \$81,000 for stormwater.

NOTE 6 – RENEWAL AND REPLACEMENT RESERVE

The loan agreement requires a renewal and replacement reserve to be established at 1% of the net capital assets of sewer and stormwater. This reserve has been established.

NOTE 7 - CAPITALIZED INTEREST

Capitalized interest represents a finance charge that accrues at the financing rate on loan proceeds from the time of disbursement until six months before the first semi-annual loan payment is due. Capitalized interest is financed as part of the loan principal.

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

To the Honorable Mayor, Town Commission and Town Manager
Town of Surfside, Florida

We have audited the schedule of loan revenue and expenditures – budget and actual (the Schedule) of the Town of Surfside, Florida (the Town), State of Florida Department of Environmental Protection Loan No. WW131710 for the period from August 24, 2012 (date of loan inception) through September 30, 2015 and have issued our report thereon dated June 30, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the schedule, we considered the Town's internal control over financial reporting as it pertains to the schedule (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the schedule, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control as it pertains to the schedule. Accordingly, we do not express an opinion on the effectiveness of the Town'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 schedule will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 Town's schedule is 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 schedule 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

Miami, FL
June 30, 2017



Town of Surfside Commission Communication

Agenda Item # 9B

Agenda Date: July 11, 2017.

Subject: Public Information Program.

Background: At the March 14, 2017 meeting the Town Commission directed the Administration to return with a Public Information Program (Attachment A).

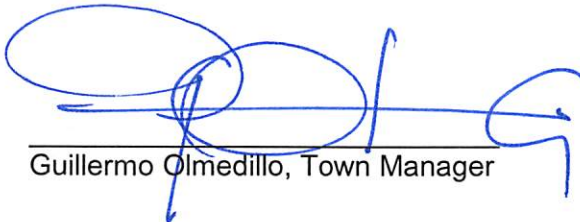
As Public Information dissemination, also known as Public Relations, is a highly specialized field, an objective review, assessment and set of recommendations was required. Therefore the Town retained the services of ProCom Communications, Inc. to assist the Administration in formulating the Town's first Public Information Program. ProCom Communications, Inc. specializes in communications and public relations assistance to the public and private sectors.

Analysis: The following are areas addressed in the report: philosophy and scope, definitions, guidelines and procedures, roles and responsibilities, key messages, procedures for public and media, and communication tools. A tactical plan and separate social media section is also included (Attachment B).

Budget: A contracted Public Information Representative is proposed for the FY1718 Budget at \$40,000 per year as identified in the June 15, 2017 Budget Workshop agenda packet.

Staff Impact: Existing staff would be utilized to work with a dedicated Public Information Representative if retained.

Recommendation: Seeking Town Commission direction on the presented Public Information Program.



Guillermo Olmedillo, Town Manager



**Town of Surfside
Town Commission Meeting
March 14, 2017
7:00 pm**

Town Hall Commission Chambers - 9293 Harding Avenue, 2nd Floor
Surfside, FL 33154

Date: March 14, 2017
Prepared by: Daniel Dietch, Mayor
Subject: Public Information Program

Objective: To direct the Town Manager to assess options for a robust public information program and develop an action plan to present to the Town Commission for consideration and direction.

Consideration: The Town has many formal communication channels including, but not limited to the following:

- Town meetings an workshops
- Town hall meetings
- Board and Committee meetings
- Surfside Gazette
- Channel 77
- Town Website
- Bulletin boards
- E-mail distribution lists
- SeeClickFix
- CodeRed

Despite the many communication channels, many residents still share that they feel disconnected or confused by the Town's communications. Further, on many critical matters, informal and sometime unauthorized messages create confusion in the community. Accordingly, it seems prudent to assess the basic elements of the Town's current communication protocols and develop a more structured and cohesive approach with an associated policy framework.

Recommendation: For the Town Commission to direct the Town Manager to assess options for a robust public information program and develop an action plan to present to the Town Commission for consideration and direction.



Public Information Program Table of Contents

- I. Surfside Philosophy and Scope
 - a. Policy Purpose
 - b. Goals
 - c. Public Relations Vision
- II. Definitions for the Purpose of this Policy and Procedures
- III. Guidelines and Procedures
 - a. Commission
 - b. Town Manager
 - c. Key Departments and Staff
- IV. Roles and Responsibilities
 - a. Point of Contact
 - b. Spokespersons
 - 1. Primary
 - 2. Secondary
 - c. Process For Approvals for Communications and Dissemination of Information
- V. Key Messages
- VI. Procedures for Public and Media
 - a. Inquiries and Requests from the Public and Media
 - b. Newsworthy Items, i.e. Announcements, Events, Public Safety, Updates
 - c. Town Statements, Quotes, Interviews and Media Opportunities
- VII. Tools for Communications
- VIII. Tactical Plan
- IX. Social Media

I. Surfside Philosophy and Scope

The Town of Surfside endeavors to further its positive image and strong commitment of transparency and accountability to its citizens, businesses, visitors and media with the creation and implementation of a town-wide public information program (communications policy). The guidelines and procedures set in this report ensures all communications will be a proactive and coordinated effort for maximum and effective results. Surfside will reinforce its position as a caring and responsible municipality by developing and enhancing its working relationships with its key audiences including citizens, employees, businesses, visitors and media.

a. Policy Purpose

This purpose of this communications policy is to define and manage the manner in which the Mayor, Commission, Town Manager and key staff will interact with the leadership, several key departments, the community and media with regard to disseminating information to the public. This policy includes modes of communications, recommendations and provides best practices for effectiveness and to achieve its goals.

b. Goals

- 1) To identify and provide the Mayor, Commission, Town Manager and key staff with positive internal and external communication guidelines that include best practice procedures.
- 2) To maintain the integrity of the Town's public information (public relations) vision town-wide with its internal and external communications by providing clear, cohesive, consistent and correct information in a professional and responsible manner.

c. Public Relations Vision:

Public relations will positively support, link and interact with its Town partners to implement proactive communications strategies to establish a cohesiveness and acceptance within its community in a responsible and transparent manner.

II. Definitions for the Purpose of This Policy and Procedures

1. Embargo means time sensitive information that is provided to the media and held with a specific release date and time for the Town. It is only to be disseminated by the media to the public at one time for maximum results, i.e. only used for major time sensitive news, i.e. an announcement that affects the entire community at large.

2. Point of Contact means a designated public relations representative who fields and manages incoming and outgoing community relations and media inquiries. This individual coordinates communications with the Mayor, Commission, Town Manager and key staff for dissemination purposes.
3. Public Relations means the management function of communications between an organization and its audiences to affect change and earn acceptance.
4. Spokesperson means the designated individual or individuals who serve in this role and are authorized to give verbal or written information on behalf of the Town to any media outlets, i.e. Mayor, Town Manager, public relations representative and public information officers (PIOs) for emergency responders. These individuals should be media trained to better serve in this capacity.

III. Guidelines and Procedures

a. Commission

Opportunities, issues and needs will arise for the Commission to address inquiries from the public and media outlets.

Part of the goal and overall recommendation of this policy is to streamline and keep Town communications clear and accurate to the community and media as well as assist the Town manage incoming inquiries, i.e. calls, emails. As a best practice the Mayor and / or the Town Manager is designated to speak on behalf of the Town and on a town-wide basis. On occasion a member of the Commission may be appointed to be the spokesperson due to alignment of knowledge or as a designated representative of the Town to outside organizations.

It is strongly recommended that Commission members defer media and community inquiries to the Mayor and / or Town Manager for timely review, any research and necessary response. These inquiries should also be reviewed by the public relations point of contact who will strategize, prepare, coordinate and distribute any approved comment or information on behalf of the Mayor, Commission and Town Manager.

As part of this policy, and a best practice, all quotes, responses and comments are always provided in a written format and approved by the Mayor and / or Town Manager.

b. Town Manager

Town Manager should receive and review any Town community and media inquiries. Upon review, these are routed to the public relations point of contact to manage and coordinate with the proper Town spokesperson in a timely manner.

All quotes, comments, statements, interview opportunities and responses will be written and submitted to the Town Manager for approval.

c. Key Departments & Staff

Key departments and staff will also follow best practices to identify any opportunities, inquiries and needs to its department head director.

Each director will review and route these to the Town Manager and public relations point of contact for coordination with the proper Town spokesperson for any response and assistance.

All quotes, statements, comments and interviews are written and approved by the Town Manager.

IV. **Roles and Responsibilities**

a. Point of Contact

The point of contact is the representative who reviews, manages and coordinates news items and inquiries for the Mayor, Commission, Town Manager and other key departments. This is the individual who helps streamline all communications and routes any item to the proper area for any follow-up and timely response.

b. Spokespersons:

Spokespersons are always accessible and media-trained for better effectiveness.

- *Primary*

The primary spokesperson, depending on the nature of the item or inquiry is the Mayor, who speaks on behalf of the Town and is followed by the Town Manager.

- *Secondary*

The secondary spokesperson serves as an alternate representative for the primary Town spokesperson for any opportunity and need at any

time. Depending on the nature of the item, this alternate spokesperson may be more appropriate to facilitate communication than the primary representative. An example of a secondary spokesperson is a public relations representative, PIO or department director/key staff.

c. Process for Approvals for Communications and Dissemination of Information

Recommendations:

Approvals be streamlined and coordinated for timely review and dissemination of Town information.

Once public and media inquiries are reviewed and routed to the appropriate point of contact, any strategy, response, quote, comment or interview must be approved by the Mayor and / or Town Manager. A point of contact will coordinate with the proper spokesperson following approval for any dissemination of information.

All information, responses, quotes, statements and comments must be provided to the media as written communication and if a verbal is given, a written statement must follow it to help ensure accuracy and for record purposes.

A standard response time for Town approvals from the appropriate representative should be set in advance and followed to ensure this process is successful and effective for items.

Depending on the deadlines and situation, response time may vary but must be set, i.e. 1 hour, 2 hours, 4 hours and 24 hours. It is up to the point contact to confirm the timeframe necessary to obtain approval with the Mayor, Town Manager or key staff.

This does not apply for routine public information requests handled by the Town Clerk or Police Department personnel assigned as PIOs.

V. Key Messages

Key messages are verbal or written and often repeated in various communications to establish a common ground, reinforce their purpose, reflect the Town and be memorable and effective in its efforts.

Effective messaging can persuade and change public opinion or behavior, link a community together, affect attitudes and cause action. Studies have shown and recommend the repetition of a message to produce maximum acceptance and when, in cases where both agreeable and disagreeable materials are to be presented, the desirable material should be presented first.

An overall recommendation is to review and identify what messages are relevant for the Town at this time and include or tailor these as needs change in written and spoken communications.

VI. Procedures for Public and Media

a. Inquiries and Requests from the Public and Media

This needs to be managed as a coordinated effort at all times for the Town. Once a central point of contact is determined, then this representative will establish a system and inform all others where these written inquiries and requests should be sent for review and any response.

The point of contact will route these to the proper areas. This representative may also serve as the Town's public relations contact. In the case of two individuals, the Town representative will then inform and coordinate with the public relations representative for any research, strategy and response.

It is a common best practice and essential that there be only one central point of contact established to better manage these inquiries and requests at all times. This avoids any duplication of effort by staff, misinformation, confusion and any unwanted delays.

This does not include routine public records request managed by the Town Clerk or PIOs.

b. Newsworthy Items

Examples of newsworthy items include initiatives, other announcements, incidents, updates and major changes in the Town that may affect the community.

Use these items as opportunities to inform the public, create goodwill, and generate positive publicity whenever possible. It is always better to operate

in a proactive rather than a reactive mode in an effort to control the timing, the message and be the one telling the story rather than letting someone else do it.

If there are multiple items occurring at one time, prioritize and consider which ones are immediate, affect the entire community or can be staggered and released to the public and media for more exposure and media coverage. Set-up a system with a checklist where you can inform the public relations resource of any item. The public relations representative can review, monitor, identify, suggest and plan ahead on happenings that are newsworthy and may be positive media opportunities.

This is where the deadlines and structure for the approval process mentioned previously will come into play as well as clearly identified points of contact and spokespersons.

c. Town Statements, Quotes, Interviews and Media Opportunities

Announcements, changes and initiatives are all opportunities for the Town to interact with the public and the media. In order to better manage these and achieve the best outcomes, ensure the message is responsible, clear and accurate with one voice for the Town. Whether it be written or oral, it is an avenue to inform, explain and create an avenue for acceptance and cooperation between the Town, the public and media.

Every one of these items needs to be managed and routed through one central point of contact. Information should be prepared, approved and disseminated in a coordinated effort by the proper channels to ensure Town communications efforts and goals are successfully met.

The approval process will be followed in a timely manner as outlined previously in this policy by the point of contact, Town Manager or public relations representative.

VII. Tools for Communications

A municipality benefits from a variety of tools to use for communication purposes. Ideally as a best practice, the Town should cross-promote the information, message and any news using three types of methods simultaneously in case one may be missed by your audience or group. It is also beneficial to follow this best practices when dealing with the variety of age groups and demographics residing in Surfside.

With the advancement of technology, some basic tools are overlooked however the Town does use a combination of new and common modes of communication for routine, informational and emergency methods. The following is a list of current modes of communication used by the Town:

On-Site Routine Informational Tools:

- a. Commission meetings and workshops
- b. Board and Committee meetings
- c. Town Hall and Community Center news racks
- d. Grapevine, i.e. residents, friends, volunteers and neighbors
Recommendation: identify and recognize “ambassadors” who can speak, host and attend events and workshops to help spread a message, change or announcement.

Direct Mail Tools:

- a. Letters from the Mayor and Town Manager
- b. Messages and inserts in customer water bills

Social & Electronic Media Tools:

- a. Town and Visitor websites
- b. “Next Door” application used by the Police Department to notify residents of upcoming events
- c. “SeeClickFix” for non-emergency purposes
- d. Gazette monthly newsletter
- e. Voluntary, regular email distributional blasts
- f. Voluntary, “Code Red” for emergency notifications
Recommendation: new applications such as “Direct Change Citizen Feedback” can be implemented for resident interaction and participation purposes

Outdoor Tools:

- a. Displays, posters and flyers
- b. Signage and bulletin boards, i.e. Publix, Town Hall and Starbucks
- c. Banners, i.e. at Tennis Center, 96th St. Park, Community Center and 94th Street Harding Parking Lot (ideal for events and announcements)
- d. Door tags placed on front doors of homes and businesses by staff

Mass Media Tools:

- a. Town operated TV Channel 93
- b. Monthly printed Town “Gazette”
Recommendations: Channel 93 content can be enhanced to more effectively communicate with the community. In effect, it could become a video equivalent of the printed “Gazette”.

VIII. Tactical Plan

- Schedule and conduct a half day media training workshop for Town spokespersons, i.e., Mayor, Town Manager and key staff.
- Secure a dedicated ongoing Town public relations representative who provides counsel and support to the Mayor, Commission, Town Manager and key staff. This representative can also serve as an additional spokesperson for the Town as needed and field ongoing media inquiries/requests.
- Research, identify, plan and review any public relations / community upcoming opportunities and requests with the Mayor, Commission and Town Manager on an ongoing basis. Create and provide key staff / department heads with a public relations checklist which includes samples of newsworthy items as a reference tool.
- Develop media materials as needed to generate positive news stories, i.e., by-lined articles, quotes, statements, copywriting, letters to the editor, news release and advisories. Can also prepare special messages, opening remarks and speeches for publications and events.
- Develop and pitch story ideas to generate positive local media coverage opportunities; research and create photo opportunities, interviews, news releases, community media calendars, identify story angles and quote all opportunities to select local media targeted for coverage.
- Strategize, plan and manage for any upcoming initiatives, announcements, changes and any issues / crisis communications.
- Seek and coordinate opportunities to cross-promote with the current Visitor plan under the Tourist Bureau.

IX. Social Media

When the Town Commission authorizes the use of Social Media, with managing the Town's communications proactively, it is important to implement and adhere to a social media policy for its positive use. This policy simultaneously supports this overall communications policy, its vision and goals. All Town representatives and key staff should abide by it.

It is beneficial to include the use of social media and Internet-based applications that provide the community the ability to share information and

generate community interest quickly for routine and emergency purposes within virtual communities and networks. Examples include Facebook, Twitter and Instagram.

The most important best practice is to identify dedicated communications representatives to responsibly manage and monitor all social media accounts for the Town. Roles, responsibilities and activities are similar to those identified for the media and should include:

- A. Coordinate all social media efforts for Surfside.
- B. Disseminate accurate information on Town social media accounts on matters of public interest and concern in a timely manner.
- C. Utilize social media accounts to stimulate public interest, inform and engage the community.
- D. Promote newsworthy items on social media.
- E. Monitor and utilize social media during major announcements, natural disasters, crisis situations and emergencies to support the Town's communication efforts.
- F. Monitor and respond to comments, questions and any complaints posted by the public on the Town's social media accounts.

Any key staff who is a social media content producer should be trained on the social media policies and on how to use and maintain the Town's respective social media accounts.

Additional Responsibilities:

As previously mentioned, key communications representatives will monitor all content created on behalf of the Town and the departments. Representatives can review, post, edit, and remove content on all social media accounts.

All departments with social media accounts can post on a daily basis, when feasible, content that informs, educates and engages the public. To assist with this task, each department with a social media account will create a production schedule to be approved with pre-program posts, when feasible, using appropriate Town applications. Each department will cross promote social media posts when appropriate, or when requested / authorized.

Similar to planning for ongoing Town public relations opportunities, social media representatives will plan and suggest upcoming social media initiatives monthly based on timeliness, newsworthiness and relevancy.

Any content photo / video captured while out in the field should be submitted for review and approval to the communications / social media representative prior to posting.

Termination of a Social Media Account:

Once an account is created and a presence is established on a social media account, there is a responsibility to the virtual community created. Therefore, the termination of an account means the Town ends the relationship established with its audience. The termination of an account shall only occur if the account is no longer active, no longer meets Town goals and objectives and all followers have been notified of the termination and provided the opportunity to migrate to an alternative account.

Content Criteria:

Social media content should be purposeful information that conveys an idea and is presented in either a written or visual manner with the goal of soliciting an emotion or engagement. Social media content is the virtual conversation that happens between the Town and its audience.

The content must meet the following criteria:

1. Information, communication, hyperlink, or other content must be approved for posting on any of the Town's social media accounts or on behalf of the Town on any other external social media site and be directly related its mission, services and objectives.
2. Content posted on any social media accounts must not violate copyright, trademark, or other intellectual property rights of any person or entity, or otherwise violate legal ownership interests.
3. Content posted on any social media accounts must not be disrespectful or insensitive to any person or group of persons. Content must not include ethnic slurs, profanity, threats of violence, be defamatory or discriminatory. Content may not be in violation of any Town workplace or sexual harassment policies. Content must adhere to federal, state or local laws.
4. Content posted on any social media accounts must not compromise the safety of any employee, the integrity of investigations, and the rights of victims and juveniles.
5. Content and information posted on any of the social media accounts should not disseminate information pertaining to active crime scenes and in-progress police activity unless pre-approved by the Police Chief.
6. The use of hashtags, i.e. #Surfside and other campaigns create an efficient method to find content related to specific topics. The use of hashtags must be approved and shall only be directly related to the mission, services and objectives of Surfside.

7. All visual content, i.e. photos, videos, graphics created on behalf of the Town may display a watermark identifying Surfside as owner of the intellectual property.

Equipment:

Equipment capable of capturing, transferring, editing, storing, and publishing digital images, digital video and digital audio is standard and left to the discretion of the communications representative / key staff based on industry standards, technical research and training.

An inventory list of all equipment along with receipts of the purchases is necessary. If the equipment requires maintenance, a maintenance log will also be kept along with the inventory.

All equipment will be stored properly to avoid damage and theft. All equipment will remain in the office while not in use. While out in the field, the equipment will remain with the employee utilizing the equipment. If the equipment must be left in a representative's vehicle, it must be stored in the trunk of the car to avoid theft.

Social Media Comment Guide:

- A. Social Media Comment Guide should be established to include the proper protocol for responding to comments and questions on the Town's social media accounts.
- B. The communications representative is responsible for creating and updating a Social Media Comment Guide. The Comment Guide will provide specific guidance to key staff on how to address and respond to questions, comments and any complaints posted by the virtual community to the Town's social media accounts.
- C. All social media accounts will display the below Terms of Use Guidelines or contain a hyperlink to the Terms of Use Guidelines. Any content hidden or removed based on these guidelines must be retained, including the time, date and identity of the poster when available.

Social Media Accounts Terms of Use:

The Town needs to be aware that when engaging with the community through social media, it is agreeing to adhere to the terms of use as follows:

While social media sites promote an open forum, please keep your comments respectful and appropriate. Inappropriate comments, comments not related to the purpose of the page or comments not related to the specific post are subject to deletion by the administrator of this account. If you do not comply with the posting guidelines, an administrator may contact you and your message will be removed. If you post inappropriate content a second time, an administrator will contact you and you will be blocked from posting any more information to the site.

This forum is not monitored at all times. Do NOT use this forum to report emergency situations or time-sensitive issues.

Please keep the following guidelines in mind when posting:

- *Graphic, obscene or explicit comments or submissions are prohibited as well as comments that are abusive, threatening, hateful or intended to defame anyone or any organization or comments that suggest or encourage illegal activity.*
- *Content that promotes, fosters or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, marital status, status with regard to public assistance, national origin, physical or mental disability, gender identity or sexual orientation will not be tolerated.*
- *Content posted by persons whose profile picture or avatar, username or e-mail address contains any of the aforementioned prohibited conduct will not be tolerated.*
- *Content should be related to the subject matter of the social media site where it is posted.*
- *Solicitations or advertisements are prohibited. This includes promotion or endorsement of any financial, commercial or non-governmental agency. Similarly, attempts to defame or defraud any person or financial, commercial or governmental agency are not permitted. Information intended to compromise the safety or security of the public or public systems is prohibited.*
- *You participate at your own risk, taking personal responsibility for your comments, your username and any information provided.*
- *All comments are subject to Florida's public records law.*
- *The appearance of external links on this site does not constitute official endorsement on behalf of the Town of Surfside.*



Town of Surfside Commission Communication

Agenda Item: 9C

Agenda Date: July 11, 2017

Subject: Parking Structure

Background: The Town Commission, at its meeting of January 10, 2017, directed staff to bring the “Parking Garage Issue” back in six months.

In the last 45 days, I have met with developers who are considering the “Unsolicited Proposal” process, under a public-private partnership (P3), and presented concept drawings for the Abbott Lot and the Town Hall property.

The Abbott Lot concept showed a parking garage with a retail liner facing west and parking for approximately 400 vehicles.

The Town Hall concept showed a new meeting chambers, a liner facing Collins with one level of retail and two levels of office. Also identified is a new group of administrative offices with parking for approximately 400 vehicles and a police department on the southern portion of the 93rd. street parking lot.

A P3 would be based on a very fundamental principle, the private developer designs and builds the project and the Town costs will be covered through a long term lease of the land.

The Town Commission had agreed to analyze the Abbott Avenue lot as the proposed site for a parking structure. Without incurring additional expenses for this, staff utilized the existing research and responses to the Request For Expressed Interest (RFEI) presented to the Town Commission on November 5, 2015 (Attachment A). Staff finds multiple challenges with this site, including the proximity to residential, the dimensions of the site and the disruption of 207 parking spaces during construction. The Abbott site could be developed through an unsolicited proposal as mentioned above.

Analysis: Using information obtained during the RFEI process presented to the Town Commission at the November 15, 2015 meeting and considering that at this time we only have concept drawings, I have analyzed the following:

1. The Abbott Lot
 - 1.1. The dimensions of the lot are 626.26’ X 111.56’
 - 1.2. The lot abuts a private alley that serves the Downtown Commercial District
 - 1.3. The properties on the west side of Abbott are used as single family residential

- 1.4. The cost of building 400 parking spaces is approximately \$14,000,000.00, and an undetermined cost for the retail space
 - 1.5. A retail liner on the western face of the structure requires 80 feet in depth and 15 feet in height
 - 1.6. The first two levels will be used for retail and circulation
 - 1.7. The next 3 levels will be used strictly for parking
2. The Town Hall lots
 - 2.1. The dimensions of the lots are 303.85' X 262.41', and 155.13' X 112.59'
 - 2.2. The lots abut Collins, Harding and 93rd Street
 - 2.3. The properties west of Harding are used as single family residential and the properties east of Collins are Multifamily residential and the Community Center
 - 2.4. The total cost of the buildings has yet to be determined given the different functions described in the concept. The cost of constructing parking is approximately \$14,000,000.00
 - 2.5. A retail liner may extend up to 100' in depth for the first 15' in height and the next two levels will be used for offices. The rooftop may be used for activities.

Conclusions:

1. The Abbott Lot
 - 1.1. The width of the lot (111.56') restricts the efficiency of the use of the available space. The first two levels are required for circulation.
 - 1.2. The liner will be facing a single family residential district, bringing about the issue of compatibility.
 - 1.3. During construction a portion of the existing parking spaces will be eliminated, affecting the commercial district.
 - 1.4. The liner will be used to subsidize the cost of construction. Financials have not been presented.
2. The Town Hall lots
 - 2.1. The dimensions of the properties allow a more flexible distribution of functions.
 - 2.2. The retail and office liner fronting on Collins has a higher commercial value relieving the total cost.
 - 2.3. Construction staging is simplified with the use of the lot north of Town Hall.
 - 2.4. The project will complement the Community Center.
 - 2.5. The issue of compatibility is limited.

Staff is recommending utilizing, through the P3 process, the site where Town Hall is located along with the neighboring Town owned lots (also see Attachment A for RFEI responses). If a parking structure were to be proposed on the lots that include Town Hall and the parking lot across from Town Hall on 93rd Street, the following development standards would need to be included:

1. A 255 foot long along, north to south and 100 foot deep, east to west liner building on the south side of 93rd Street to include:
 - a. Four stories
 - b. First level retail
 - c. Town Hall
 - d. Second and third level offices
 - e. Additional parking on fourth floor
 - f. 40 feet in height
 - g. 4.0 FAR
 - h. Approximately 400 parking spaces
 - i. No required setback from Collins, however there would be recessed pockets for landscaping and a 10 foot wide sidewalk.

2. A 155 feet long, north to south and 112 feet deep, east to west structure on the north side of 93rd Street to include:
 - a. Police station
 - b. Offices
 - c. Ground level parking
 - d. Three stories
 - e. 30 feet in height
 - f. 3.0 FAR

Comparison of the Abbott Lot and the Town Hall Lots:

<i>Parking lot boundary</i>	<i>Zoning change</i>	<i>Land use change</i>	<i>Referendum</i>
Abbott Lot	Yes	Yes	No
Town Hall Lot	Yes	Yes	Yes

Referendum information: If the Town Commission agrees to direct staff to prepare ballot language, the question would be added to the March 2018 ballot and if the voters support the amendment, zoning code land use modifications would be prepared. The authority to add a question to the ballot remains with the Miami Dade County Elections Department and the Town would need to prepare a request for ballot inclusion.

Budget Impact: To be determined based on direction. Costs identified in the RFEI proposals should only be used as an approximate reference.

Staff Impact: Staff would work with its consultants and in house staff on a P3 program if directed.

Recommendation: Recognizing that financials have not been presented by either group and limited by the information at hand, I believe that a project using the Town Hall properties is preferable.

Should the Commission decide to move ahead with a "Parking Garage" project, my recommendation is to request an application for an "Unsolicited Proposal" as defined in the Florida Statutes by interested parties, that will include all requisite elements contained in the statute, additionally the scope of work, financial plans, and terms of the long term land lease.

I also recommend that interested parties should complete an application for an "Unsolicited Proposal" within the next 90 days.

Based on a continued review of all available Town owned sites, taking into consideration of the benefits and challenges for each site, the Administration remains with its recommendation to proceed with a parking structure at the Town Hall lots.

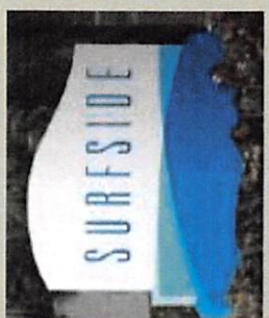


Guillermo Olmedillo, Town Manager



Town of Surfside *Request for Expressions of Interest* Parking Structures

Town Commission Workshop
November 5, 2015
6:30pm



OPTIONS

- Consulting services: Town funds project
- Design Build: Town funds project
- Public Private Partnership (P3): options for the project to be funded by the private sector in exchange for an asset, such as land, revenue, maintenance or other negotiated terms.

The following options are a summary of the respondents' submittals.

No analysis, other than land use and parking counts, has been performed by Staff.

Any funding and financial information provided by the respondents requires further vetting.

ABBOTT LOT



Option 1: (Cratos)

Consulting services only (Town Funded)

Parking only

Estimated project cost: \$14,500,000

Net new parking spaces: 518, Total parking spaces 725

No land use or zoning changes needed

ABBOTT LOT

P3



Option 2:
(Thor**
Equities)

Public Private Partnership (developer funding the construction)

17,125 sq ft retail , parking and public space on roof and vegetative wall.

Estimated project cost: \$20,000,000. 99 year lease. Based on minimum rent of \$125,000 per year or 15% of net parking income (estimated to be \$1.26 million in year 1 stabilized)

No rent payment during pre-plan or construction.

Net new parking spaces: 345, Total parking spaces: 552

Land use and zoning changes needed for commercial uses

***** Thor Equities has not responded to the RFEI. They have submitted an unsolicited proposal to the Town for the above referenced project.**

ABBOTT LOT

P3



**Option 3:
(MB)**

Public Private Partnership (developer funding the construction)

55,000 sq ft of Commercial and parking. Net new parking spaces: 110, Total parking spaces: 509

Estimated project cost: \$20,360,000. Long-term land lease.

Land use and zoning changes needed for commercial uses.

**Option 4:
(MB)**

Public Private Partnership (developer funding the construction)

73 hotel rooms and parking. Net new parking spaces: 189, Total parking spaces: 469

Estimated project cost (parking only): \$18,760,000.

Land use and zoning changes needed as well as a referendum for the hotel rooms

TOWN HALL LOT



Option 1: (Cratos)

Consulting services only (Town Funded)

Parking only with new Town Hall on 93rd Street Lot

Estimated project cost: \$13,100,000

Net new parking spaces: 552, Total parking spaces 655

Land use and zoning changes needed. Referendum required.

TOWN HALL LOT



Option 2:

*(Block53/Ortega
Juneau)*

Design Build (Town Funded)

Parking with 16,500 of civic space

Net new parking spaces: 211, Total parking spaces: 335

Estimated project cost: \$15,000,000

Land use and zoning changes needed. Referendum required.

Respond to REF1	Proposed Location(s)	Proposed Concept Plan	Business Arrangement	Total Proposed Parl Net New Parkl Estimated Project C Regulatory Issues	Other Notes/Comments
Consulting Services					
Cratos w/Facer Parking & Walker Parking Co Yes	Abbott Lot Town Hall (Lot) and 93rd St. Parking Only	Parking Only Parking w/ 16,500 sf civic space	Consulting Services Only	725 518 655 552	\$14,500,000 No changes needed \$13,100,000 Land use/Zoning/referendu No defined use of space for Town Hall on 93rd St. Lot
Design Build Services					
Blocks3/Ortega Juneau	Town Hall	Parking w/ 16,500 sf civic space	Design Build (Town funded)	335 211	\$15,000,000 Land use/zoning/referendu Need to define "Civic" vs. Retail
Joint Development (Public/Private Partnership - P3)					
Thor Equities	Abbott Lot (Unsolicited Proposal)	Mixed Use (Commercial)/ Park Developer Funded (up to 17,125 sf of retail)	99 year land lease w/3x30 yr renewal options Based minimum rent of \$125,000/yr. ? for 15% of net parking income - estimated to be \$1.26M in year 1 stabilized (No rent payment during pre-plan, construction)	552 345	\$20,000,000 Retail will require land use and zoning change Includes public space on roof and vegetative wall
MB Development	Abbott (Opt 1) Abbott (Opt 2)	55,000 sf commercial/Parking 73 hotel rooms/ Parking	Long-term Land Lease w/ Participate (Not Defin Funding depends on Option	509 110 469 189	\$20,360,000 Land use/zoning change All costs represent Parking Only; provided on \$18,760,000 Land use/zoning/referendu per space cost only.



Town of Surfside Commission Communication

Agenda #: 9D
Agenda Date: July 11, 2017
Subject: Artificial Grass
From: Sarah Sinatra Gould, AICP, Town Planner

Background: Code Section 90-88(9) states the following: *Any plastic or similar artificial landscape materials shall be prohibited with the exception of seasonal holiday decorative displays of less than 60 days duration.* It has come to staff's attention that numerous properties within Town have installed artificial grass. The code has additional requirements for minimum pervious areas as well as a requirement to provide landscaping as follows:

Section 90-61 Front setbacks in the H30A, H30B, H30C or H40 districts shall not be more than 50 percent paved over with any type of material that is not readily permeable by rainwater and groundwater. Pavers and pervious hard materials, including pervious concrete, shall not be utilized for the calculation of pervious area.

(1) Not less than 30 percent of the front yard shall be landscaped.

(2) Not less than 20 percent of the rear yard shall be landscaped.

Request: A member of the public has requested that the Town Commission review this provision and modify the code to permit artificial grass.

Budget Impact: Advertising requirements for an ordinance modification.

Growth Impact: N/A

Staff Impact: Preparing a code modification presented to Planning and Zoning Board and two readings at Town Commission.

Staff Recommendation: If the Town Commission wishes to amend the code to allow artificial grass, direct staff to require a permit for the installation of the artificial grass including the specifications of the proposed materials indicating permeability to confirm that at least 50 percent of the front setback is pervious.



Sarah Sinatra Gould, AICP, Town Planner



Guillermo Olmedillo, Town Manager



Town of Surfside Commission Communication

Agenda #: 9E
Agenda Date: July 11, 2017
Subject: Modifying measurement of height to prepare for sea level rise.
From: Sarah Sinatra Gould, AICP, Town Planner

Background: One of the Planning & Zoning Board's (Board) top priorities is to prepare and plan for sea level rise. The existing code measures height from crown of the road to the top of the structure and in the single family zoning districts, this is a maximum of 30 feet in height. This can accommodate a two story structure. By measuring from crown of the road, the structure itself is usually about 24-26 feet in height due to the crown of the road being approximately 4-6 feet above the lot.

As properties are being redeveloped, the Board has been concerned with structures having the ability to be elevated to accommodate sea level rise. The board has asked staff to analyze utilizing Finished Floor Elevation (FFE), plus an additional one to five feet of built up ground rather than crown of the road as the measurement of height. The additional one to five feet of built up ground is called "freeboard." This methodology is utilized by Miami Beach.

This concept was presented at the May Commission meeting. The Town Commission requested that staff further analyze sea level rise alternatives and strategies as well as to review the initiatives being explored by the Harvard Graduate School of Design for Miami Beach, who is in the final stages of completing their multiyear study on Sea-Level-Rise (June 30, 2017 is the agreement end date). The data gathered up to this point consists predominantly of the impacts of Sea-Level-Rise rather than proposed combative techniques. Once their study is complete, these techniques will be structured into a report. Staff will monitor new documents and reports that come out by the Harvard Graduate School of Design for possible inclusion and adoption of ideas into the Town's ordinances.

There are multiple hardening initiatives that can be implemented such as encouraging private property owners to raise sea walls, evaluate raising roadways and infrastructure as well as retrofitting the existing infrastructure. All of these types of initiatives can be implemented without potential code or charter changes. The Planning and Zoning Board has asked Staff to focus on all types of improvements possible to help address sea level rise, however, the issue of freeboard is timely due to the need for a referendum.

Miami Beach has a freeboard ordinance allowing up to five additional feet. Staff has reached out to Miami Beach to get a better understanding of how they arrived at one to five feet for their freeboard ordinance. They have indicated the minimum of one foot comes from FEMA, which provides discounts for Flood Insurance Rates and five feet is a maximum due to their green building ordinance, which requires LEED Building Certification under certain circumstances. In order to facilitate achieving this LEED credit, a maximum five foot freeboard was selected.

After analyzing Miami Beach's ordinance as well as other municipalities, staff is suggesting that the Commission review the requirements in Key West, which requires one and half feet of free board. It should be pointed out that each foot of freeboard up to three feet lowers flood insurance rates.

The 2004 Town Charter Amendment limits density, intensity and height to the standards present in the 2004 zoning code and comprehensive plan, whichever was more restrictive. Staff has determined that the 2004 definition of height in the zoning code was measured from crown of the road; therefore, any modification to that definition would require a charter amendment. The Board is requesting the Town Commission to consider directing staff to prepare ballot language to ask the voters to determine if the measurement of height should be modified to allow up to one and a half additional feet of built up ground (freeboard) to accommodate potential sea level rise.

If the Town Commission agrees to direct staff to prepare ballot language, the question would be added to the March 2018 ballot and if the voters support the amendment, zoning code modifications would be prepared.

If the Town Commission does not wish to proceed with the ballot language or if the voters do not support the amendment, freeboard could still be accommodated, however, in the single family zoning districts, only one story structures could be developed due to the height limitation of 30 feet measured from crown of the road. New one story structures are not typically proposed due to the cost of properties along the barrier islands.

The Town Commission should discuss if it wishes to prepare ballot language to permit a modification in the definition of height to accommodate potential sea level rise.

