

# City of Quincy

City Hall

404 West Jefferson Street

Quincy, Florida 32351

[www.myquincy.net](http://www.myquincy.net)



Tuesday, May 12, 2020  
6:00 PM

City Hall  
Commission Chambers

## City Commission

Mayor Keith Dowdell - District I  
Mayor Pro-Tem Ronte Harris - District III  
Commissioner Angela Sapp - District II  
Commissioner Freida Bass-Prieto - District IV  
Commissioner Daniel McMillan - District V

*"An All American City in the Heart of Florida's Future"*



**City of Quincy, Florida  
City Commission Meeting**

**AMENDED AGENDA**

**May 12, 2020  
6:00 P.M.**

**City Hall Commission Chambers Via Zoom**

**Call to Order**

**Invocation**

**Pledge of Allegiance**

**Roll Call**

**Approval of Agenda**

**Executive Session**

- 1. *Executive Session: Patricia Barkley vs. City of Quincy***
  - Gary Roberts, City Attorney

**Approval of the Minutes of the Previous Meetings**

- 2. Approval of Minutes of the April 21, 2020 Special Meeting**
  - Beverly Nash, Interim City Clerk
- 3. Approval of Minutes of the April 24, 2020 Special Meeting**
  - Beverly Nash, Interim City Clerk
- 4. Approval of Minutes of the April 28, 2020 Regular Meeting**
  - Beverly Nash, Interim City Clerk
- 5. Approval of Minutes of the May 1, 2020 Special Meeting**
  - Beverly Nash, Interim City Clerk

**Proclamations**

**Public Hearings and Ordinances as Scheduled or Agendaed**

**Public Opportunity to Speak on Commission Propositions – (Pursuant to Sec. 286.0114, Fla. Stat. and subject to the limitations of Sec. 286.0114(3)(a), Fla. Stat.)**

## Resolutions

### Reports by Boards and Committees

#### Reports, Requests and Communications by the City Manager

##### **6. Special Recognition of Finance Department**

- Jack L. McLean Jr., City Manager

##### **7. City 2018-2019 Audit**

- Jack L. McLean Jr., City Manager
- Marcia Carty, Finance Director
- Chris Moran, Auditor

##### **8. City of Gretna Contract Agreement (Updated Information)**

- Jack L. McLean Jr., City Manager
- Marcia Carty, Finance Director
- Robin Ryals, Utilities Director

##### **9. ~~Partnership with AmeriCorps/VISTA FL Panhandle Disaster Recovery~~ (Item Removed)**

- ~~• Jack L. McLean Jr., City Manager~~
- ~~• Beverly Nash, Grant Writer~~

##### **10. Rural Infrastructure Grant Funding**

- Jack L. McLean Jr., City Manager
- Beverly Nash, Grant Writer

##### **11. ~~City Clerk's Position~~ (Item Removed)**

- ~~• Jack L. McLean Jr., City Manager~~
- ~~• Ann Sherman, Human Resources Director~~

##### **12. Update on Police and Fire Pension**

- Jack L. McLean Jr., City Manager
- Marcia Carty, Finance Director

#### Other Items Requested to Be Agendaed by Commission Member(s), the City Manager and Other City Officials

#### Comments

- a) City Manager
- b) City Clerk
- c) City Attorney
- d) Commission Members

#### Comments from the Audience

#### Adjournment

*If a person decides to appeal any decision made by the City Commission with respect to any matter considered at this meeting, he/she may need a record of the proceedings, and for such purpose, he/she may need to ensure that verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. FS 286.0105. Persons with disabilities who require assistance to participate in City meetings are requested to notify the City Clerk's Office at (850) 618-0020 in advance.*

**Approval of  
Special Meeting  
April 21, 2020 Minutes**

**CITY COMMISSION  
CITY HALL, COMMISSION CHAMBER  
QUINCY, FLORIDA 32351**

**VIRTUAL SPECIAL MEETING  
April 21, 2020  
6:03 P.M. (Eastern)**

The City of Quincy City Commission met in a virtual special session, Tuesday, April 21, 2020, with **Mayor Commissioner Dowdell** presiding and the following commissioners present:

Commissioner Daniel McMillan  
Commissioner Ronte Harris  
Commissioner Freida Bass-Prieto  
Commissioner Angela G. Sapp

City Staff:

Jack L. McLean Jr., City Manager  
Gary Roberts, City Attorney  
Chief Glenn Sapp, Police Department and Sergeant-At-Arms  
Dr. Beverly Nash, Grants  
Vancheria Perkins, Executive Assistant to the City Manager  
David Rittman, Administrator, Information Technology  
Ann Sherman, Director, Human Resources and Customer Services  
Dr. Bernard Piawah, Director, Building and Planning Department

The virtual special meeting was recorded, televised and transmitted by way of the City's Facebook page, TV Channel (WQTN-13) and Zoom Video Conferencing.

**Called to Order:**

Mayor Dowdell called the virtual special meeting to order at 6:03 pm with an overview of agenda and the roll call.

To participate in (Special Meeting) Public Hearing Session, Mayor Dowdell reviewed the email protocol by providing citizens with instructions for submittal of questions to the commission and/or staff. Citizens should send emails to [citizenstobeheard@myquincy.net](mailto:citizenstobeheard@myquincy.net).

**Summary of Special Meeting/Public Hearing Discussion/Debate Items**

**1. Resolution 1407-2020 Narrative Descriptions of Redistricted Districts 1 through 5.**

The City Manager explained Resolution 1407-2020 by stating, ". . . . It is a narrative description of the districts adopted earlier with the date of the adoption. . . . It is the wording to the depiction of Alternative #1 map. The consultant, Kurt Spitzer, provided the written description and signed-off . . . wanted to make sure, going forward, that there is a picture and narrative of the description of the map."

**Summary of Discussion/Debate**

Commissioner Bass-Prieto questioned, “. . . For Attorney Roberts. . . When we did this, we signed an ordinance that extended the time of the commissioner and extended the election date, but if you looked at Section 2.01 of our code. . . it talks about eligibility. . . it refers us to Palmer vs the City of Quincy. If you go down further where it talks about forfeiture . . . It says that any commissioner who is not qualified has to forfeit his seat. . . Once we redistrict, Commissioner McMillan becomes my constituent. He no longer lives in district 5. Therefore, he is not qualified to hold a seat in district 5. Shouldn't that have been handled in the ordinance?”

Attorney Roberts responded to Commissioner Bass-Prieto, “. . . Section 2.01. . . City Commission. . .” “That is dealing with at-large. . . Are you talking about the editor's notes?” Commissioner Bass-Prieto, restated the reference, “. . . “Eligibility. . . disqualifications. . .”

The City Manager stated, “That section has already been amended. . . His term was extended. . . by the ordinance passed before. . . He can continue to serve district 5 and will continue to serve district 5 as it existed prior to the redistricting up until the election on June 9<sup>th</sup>.”

Commissioner Bass-Prieto questioned, “. . . Once the resolution that we adopted on March 26<sup>th</sup> went into effect that day. . . correct? The resolution that we adopted with redistricting. . .?”

City Manager McLean stated, “You adopted the maps on that date on March 26<sup>th</sup>. . . You had already extended the term in the prior. . . ordinance to extend the term. . . The terms were extended up until the June election.”

Commissioner Bass-Prieto restated, “It extended the term, as I see it. . . It extended the term for Mayor Dowdell. He is still qualified, but once we adopted the redistricting, and Commissioner McMillan becomes my constituent, how can he be my constituent one moment and a seating commissioner the next. . .”

The City Manager repeated, “Because it extended the term for him to continue to serve . . . the people of that district as constituted prior to the redistricting, . . . prior to the maps, so he continues to serve. . . he has power to serve right up to the election.”

Commissioner Bass-Prieto questioned, “if you look at 2.05, it clearly states forfeiture of office . . .” The City Manager underlined, “. . . key term. . .prescribed by law and by law his term was extended.” Commissioner Bass-Prieto debated, “His term was, but not his qualifications were not changed. . .” The City Manager stated, “Once in office, based on his residency, he qualified to be in district 5 based on his residency and the votes/petitions he obtained in the prior election. . .”

Commissioner Bass-Prieto stated, “What she does not understand. . . I am about to get new constituents according to the Supervisor of Elections. . . one of which will be Commissioner McMillan and there will be a lot of other people, too. So, do I not represent them until such time as we have an election?”

The City Manager stated, "No . . . you represent district 4 as it was constituted on the date that you extended your terms to accomplish the redistricting. Commissioner McMillan has been lawfully serving up until there is an election on June 9<sup>th</sup>."

Commissioner Harris stated, "Commissioner Bass-Prieto, are you insinuating you to the fact or are you saying that district 5 is vacant?"

Commissioner Bass-Prieto to Commissioner Harris, "I brought this up at the last meeting, it was a question. . . I am not . . . insinuating. . . My question is . . . we have redistricting, we have signed an ordinance and a resolution and as we signed that we extended the term of Commissioner McMillan. . . Our ordinance talks about once you are qualified. . . Should that have been addressed in the ordinance and resolution that we passed. . . We should have addressed his qualification whether than leaving it out there. . ."

Attorney Roberts clarified, "Once we did the ordinance changes, and extended the term of office, Commissioner McMillan is a valid, legitimate duly elected City of Quincy commissioner, all the way up to the election in June. Nothing has changed. . ."

Commissioner Bass-Prieto continued her questioning about redistricting, "When do my district lines change, at the election time or once we have redistricted?" Attorney Roberts stated, ". . . it would go into effect at the next election, June 9<sup>th</sup>." Commissioner Bass-Prieto stated, "That has not been put in any resolution or ordinance. . . Today, we are adopting the resolution for the district lines for our new districts, in speaking with the Deputy Supervisor of Elections, . . . she said that she hopes to have redistricting finished by today. . . How is it, she can finish it and we have not even adopted the boundary lines yet?" The City Manager stated, "She can finish it because all of the information that the Supervisor of Elections requested, was provided to them. All of the census tract data was provided to them, all of the descriptions were provided to them, all of the street boundaries were provided to them, they have everything legally and have acted upon it. . . to lay out who's in the district, where the district boundaries end, which streets are in it, they have them by block, they have them by street address. . . all of that was provided to them. This resolution is the wording document that you have already formally adopted. . . There is not difference between the map that you adopted and street layout, the boundary layout, and this narrative description. . . If the Supervisor of Elections lacks anything she needed to move forward, she would have notified me. . . like she did back in December, back in February. . . One of the things that this consultant has done, he provided her with all the data she needed for this election . . . all that was necessary to make changes. . . without any additional information. One, because she was so thorough at the outset laying out what she needed and secondly, because the consultant was so meticulous in giving her the data. "

Commissioner Sapp questioned, ". . . Concerning the descriptions, narrative description for district 1 and district 2 - They seem like they are worded the same until you get to "beginning due south of Stewart Street to the north," that is worded the same, is that intentional?" Dr. Piawah responded, ". . . In that area, the boundary of district 1 and 2, they share common boundaries in that area. . ." Commissioner Sapp, "District 1 does not go to Key Farm Run. . . I went to our website and got the map. . . I am looking at redistricting map, Alternative #1, is the right map. I think I see the interpretation. . . It says continuing pass Key Farm Road. . ."

Commissioner Sapp motioned to adopt Resolution 1407-2020, seconded by Commissioner Harris.

**REDISTRICTING RESOLUTION NUMBER: 1407- 2020**

**RESOLUTION OF THE CITY OF QUINCY, FLORIDA, ADOPTING NARRATIVE DESCRIPTION OF THE REDISTRICTING MAP AND PROVIDING FOR COMPLIANCE WITH LAW.**

Mayor Dowdell requested a roll call.

<b>Commissioner</b>	<b>Vote</b>
Commissioner McMillan	No
Commissioner Harris	Yes
Commissioner Sapp	yes
Commissioner Bass-Prieto	No
Mayor Dowdell	yes

**The motion carried 3 to 2.**

**2. Ordinance 1111-2020 Redistricting Ordinance Changes on First Reading –**

This first reading of Ordinance No. 1111-2020 to allow qualified and qualifying candidates who gather nominating petitions before April 1, 2020 to use the nominating petitions from any district to qualify to run in the redistricting district in which they reside.

Commissioner Harris motioned to read Ordinance 1111-2020 by title only on First reading, seconded by Commissioner Sapp.

**Summary of Discussion/Debate**

Commissioner Bass-Prieto called for a point of order, "I do not believe this meeting was properly noticed. The notice that appeared on April 9<sup>th</sup>, 2020 in the Gadsden Times listed this meeting as being held on March 14<sup>th</sup> at 6:00 pm. Additionally, it instructed interested parties that they may view the ordinance at the office of city clerk, city hall, 8-5pm. City hall has been closed to the public. This ordinance needs to be re-advertised and then heard then. . . to follow F.S. 166.041. The City Manager responded, "The last meeting that we had, that item was continued because it was scheduled during your last meeting . . . the erroneous date that you noted, . . . March 14<sup>th</sup>, it was re-advertised and re-advertised consistent with F.S. 166.041 - in the paper of major circulation. . . we have a copy of the re-advertisement. As to city hall being closed. . . City hall is closed because we wanted to control the access to coming into the building because of the coronavirus. People have and can call to get into the building to do various activities in the code office or to ask of any information of the clerk. . .

Commissioner Bass-Prieto asked, "Where was it advertised and what date?" The City Manager stated, ". . . It was advertised in the Tallahassee Democrat. . . This ordinance only requires one public hearing and advertisement in the paper. That is scheduled for the 24<sup>th</sup>. . . this coming Friday for the final adoption of this ordinance." Attorney Roberts assured the



commissioners that he had a copy of the Tallahassee Democrat advertisement. The run date was 4/14/2020. Commissioner Bass-Prieto questioned, "We do not have to advertise for 10-day before having the public notice?" Attorney Roberts responded, "No. . . the 10-days is for the adoption of the ordinance." The City Manager repeated, ". . . the date was for the 24<sup>th</sup> this Friday." Attorney Roberts reviewed F.S. 166.041. . . "at least two days, it does not give an amount, it could be back to back dates. . The issue is the 10-day notice before actual adoption. . ."

Commissioner Bass-Prieto questioned, "What is this notice that we put out on the 9<sup>th</sup>?" Attorney Roberts, "Are you talking about the one that said March 14<sup>th</sup>?" Commissioner Bass-Prieto, "How did we tell people they can view it . . .from the Tallahassee Democrat?" Attorney Roberts read the advertisement. . . "may view at the office of the city clerk, 8-5pm in city hall and may also appear at the meeting. . ." Attorney Roberts assured the commissioners that the notice was valid and gave the public adequate information to ask any appropriate questions and be heard today. . . "Interested parties may view the ordinance with the clerk at city hall. . . in the public domain. . . and may appear and be heard at the chamber. . ."

Commissioner Bass-Prieto again made her objections to the ordinance. . . because it was not properly noticed.

Commissioners Bass-Prieto and McMillan called for a point of order. . . Commissioner McMillan stated his disappointment in a commissioner not being to ask questions about the advertising for the meeting and . . . the invite citizens to come to city hall and give their opinions. . . when we are also telling them not to go out in public. . ."

Commissioner Bass-Prieto questioned, "Who is the judge of whether my question is erroneous, is that the mayor or my constituents?" Attorney Roberts replied, "You are a duly elected official for the City of Quincy, . . . you are allowed to ask questions, voice your opinions at the meetings." Attorney Roberts recognized, "The mayor as the presiding officer. . . your question is not invalid, but how we are addressing each other is . . . we have to get back to civility."

The City Attorney provided a summary of the ordinance. . .

On January 30, 2020, the City Commission voted to make charter amendments to the election code to facilitate the redistricting of the City's five (5) election districts in 2020. The changes extended the terms of certain commissioners, moved the date of the election, and provide expressly for set the dates for future redistricting including the June 9 date for the election. On March 2, 2020, the City Commission adopted the ordinance changes. March 26, 2020 the Commission approved the redistricting map. The proposed ordinance changes on first reading, would allow qualified and qualifying candidates who gather nominating petitions before April 1, 2020 to use the nominating petitions from any district to qualify to run in the redistricting district in which they reside. Qualified and qualifying candidates after April 1, 2020, must gather nominating petitions from the same district where the candidate and where the person signing the petition resides. Qualifying ends May 1, 2020 for the June 9, 2020 election. He also provided historical facts/context/background about the redistricting in the 1970s. The decision is consistent with Palmer vs the City of Quincy.

**The Mayor opened the meeting to the Public Hearing Session related to Ordinance 1111-2020. Any and all written (emailed) questions and comments received from citizens are on file with the Office of the City Clerk. The city staff and/or attorney and/or commissioners' responses and discussions/debates are provided in the minutes of this meeting.**

The City Manager stated, "He did not think we received any emails. . . from anyone. . ."

The Ordinance was read by title only. . .

**ORDINANCE NO. 1111-2020**

**AN ORDINANCE AMENDING SECTION 10.01 OF ARTICLE X OF THE CHARTER OF THE CITY OF QUINCY, ALLOWING QUALIFYING AND QUALIFIED CANDIDATES' PETITIONS OF ELIGIBLE VOTERS GATHERED BEFORE APRIL 1, 2020 TO DETERMINE QUALIFICATION TO RUN FOR A DISTRICT IN THE JUNE 2020 ELECTION IN WHICH THE QUALIFIED AND QUALIFYING CANDIDATES RESIDES FOLLOWING THE CITY'S ADOPTION OF THE REDISTRICTING MAP; QUALIFIED AND QUALIFYING CANDIDATES AFTER APRIL 1, 2020 MUST OBTAIN PETITIONS OF ELEGIBLE VOTERS IN THE DISTRICT WHERE THEY RESIDE TO RUN FOR THE DISTRICT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

The Mayor requested a roll call.

<b>Commissioner</b>	<b>Vote</b>
Commissioner McMillan	yes
Commissioner Harris	Yes
Commissioner Sapp	yes
Commissioner Bass-Prieto	No
Mayor Dowdell	yes

**The motion carried 4 to 1.**

Commissioner Harris motioned to approve Ordinance 1111-2020 on first reading, seconded by Commissioner Sapp.

**Summary of Discussion/Debate**

Commissioner Bass-Prieto objected again, ". . . meeting was not properly noticed. . . by the fact there were no citizens. . ." The City Manager restated, ". . . staff provided notice of the meeting, people knew about the meeting, . . . corrected the notice and it was put on the website how citizens could participate in this meeting. The same procedures will be used for the adoption of this ordinance, if the commission chose to adopt it on Friday. . . staff has provided the appropriate notice. . . have notified the public of this meeting. . . the fact that the public has not come, it is not obvious that they do not want to be heard. . . it might be that it is a matter that they do not wish to be heard. . . or they have already been heard regarding this issue. . . we should not assume anything neither way. . . whether people responded. . . This has been . . . a highly debated issue in the community. . . this community

has known about the issues and staff has complied with the ordinance and (F.S) 166 by getting the information out. . .”

Commissioner Sapp responded to person not sending in questions for whatever reason. . . “People have always find a way to be here. . . This is a first read for this ordinance, we have a second read on Friday. . . before we adopt the ordinance. I am quite people who have questions will submit them to their commissioners. . . they can submit their questions to us. . . But people have chances to get questions in to us by Friday. . .”

Commissioner Bass-Prieto questioned, “How long was the email address available to our citizens. . . I just received it on last night. . . How long was it on the website? . . . I do not think this is an appropriate way to allow our citizen to speak. . . I don’t think this is the way the Florida Sunshine Law is supposed to work. . . We are supposed to think of our citizens first, not our own ease and comfortable. . .” The City Manager restated, “We have followed what is legal. Citizens have to read the newspaper to know what is going on. . . also search the website as to what is going on. . . nothing is different from being an engaged and informed citizen. . . taking the comments from Commissioner Sapp, we will use our email system that is used for our customers and will tell them about the meeting that is coming up. . . on Friday. In addition, to the legal requirements. . . already met.”

**The motion carried 3 to 2.**

There being no further business to discuss, therefore meeting was adjourned by Mayor Dowdell at 7:28 pm.

**Please Note:** The official copies of the meeting minutes are placed on file with the Office of the City Clerk upon approval by the City Commission.

Submitted by: Dr. Beverly A. Nash, Acting/Temporary Clerk

**APPROVED:**

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Keith A. Dowdell, Mayor and Presiding  
Officer of the City Commission and of the  
City of Quincy, Florida

**ATTEST:**

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Dr. Beverly A. Nash, Acting/Temporary Clerk per  
Clerk of the of Quincy, Florida  
Clerk of the City Commission thereof

**Approval of  
Special Meeting  
April 24, 2020 Minutes**

**CITY COMMISSION  
CITY HALL, COMMISSION CHAMBER  
QUINCY, FLORIDA 32351**

**VIRTUAL SPECIAL MEETING  
April 24, 2020  
6:02 P.M. (Eastern)**

The City of Quincy City Commission met in a virtual special session, Friday, April 24, 2020, with **Mayor Commissioner Dowdell** presiding and the following commissioners present:

Commissioner Daniel McMillan  
Commissioner Ronte Harris  
Commissioner Freida Bass-Prieto  
Commissioner Angela G. Sapp

City Staff and Guest Present:

Jack L. McLean Jr., City Manager  
Gary Roberts, City Attorney  
Chief Glenn Sapp, Police Department and Sergeant-At-Arms  
Robin Ryals, Director, Utilities Department  
Marcia Carty, Director, Finance Department  
DeCody Fagg, Director, Parks and Recreations Department  
Ann Sherman, Director, Human Resources and Customer Services  
Dr. Bernard Piawah, Director, Building and Planning Department  
Dr. Beverly Nash, Grants  
Vancheria Perkins, Executive Assistant to the City Manager

Allen Meeks, Gadsden County

The virtual special meeting was recorded, televised and transmitted by way of the City's Facebook page, TV Channel (WQTN-13) and Zoom Video Conferencing.

**Called to Order:**

Mayor Dowdell called the virtual special meeting to order at 6:02 pm with an overview of agenda and the roll call.

**Summary of Virtual Special Meeting Discussion Items**

1. **Ordinance 1111-2020 - Redistricting Plan – Second Reading**

Commissioner Bass-Prieto called for a point of order, by stating, "At the last meeting, (Mayor Dowdell) opened it up for a public hearing. . . it was announced that we had no questions and citizens were denied the ability to ask questions and have those questions answered. Additionally, the notice that we put out did not give the appropriate way to which attend the meeting or to see the ordinance as the building was locked. . . We have made some definite errors in trying to do this. I would like to make a motion that we re-advertise this ordinance in order to do it properly. Advertise it such that our citizens know that they have to email in questions and that we have our email system properly set-up so that we can get the

questions and citizens know where they can get the ordinance. I also take issue with the Internet. . . as you know, we are an economically challenged county; not everybody has Internet access, all cannot watch on Facebook unless you are a Facebook member. . . cannot watch on WQTN-13, unless you subscribe to Comcast cable. . . so that sort of leaves us in the dark. But when you tell them to come to the city hall, so that they can see it at a locked down city hall. Then when you open up a public hearing and people have attempted to follow the instructions. . ."

Commissioner Harris interjected, "This is not a point of order. A point of order deals with your procedural operations during the current meeting. She is debating the ordinance. . . What she is talking about has nothing to do with the current operational procedures. . . She needs to wait until we get to the ordinance to debate the ordinance. . ."

Commissioner Bass-Prieto continued by saying, " . . . This is in violation of Statute 166, I do not believe it was properly noticed, the people who attempted to make questions at our public hearing, they were denied that opportunity because we did not have a proper email account set-up. . . That is why I asked that we . . . re-advertise the ordinance and let our citizens know where and how they can have public input; give them enough time. . ."

Commissioner Harris pointed out, "That was not a point of order, she was debating the ordinance and her issues with this particular ordinance at the time of the ordinance. . . it was not a point of order."

Attorney Roberts stated, "On a point of order matter, it is up to the chair to rule on that issue. But that was a debate, I understand Commissioner Bass-Prieto's position, but that is something we can take up when the ordinance comes before the commission."

Commissioner Bass-Prieto referring to the Attorney, ". . . regarding chapter 166 - is it part of what we are supposed to be doing and how we handled proper procedures, adopting and scheduling meetings for this ordinance to be heard?"

The City Manager instructed the Mayor to read the instructions for the public hearing.

Mayor Dowdell called for a motion to read Ordinance 1111-2020 by title only. Commissioner Sapp motioned to read Ordinance 1111-2020 by title only on second read, seconded by Commissioner Harris. Mayor Dowdell requested roll call.

<b>Commissioner</b>	<b>Vote</b>
Commissioner Harris	Yes
Commissioner Sapp	Yes
Commissioner McMillan	Yes
Commissioner Bass-Prieto	No
Mayor Dowdell	Yes

**The motion carried 4 to 1.**

Ordinance by title only was read by acting clerk as printed (see below).

**ORDINANCE NO. 1111-2020**

**AN ORDINANCE AMENDING SECTION 10.01 OF ARTICLE X OF THE CHARTER OF THE CITY OF QUINCY, ALLOWING QUALIFYING AND QUALIFIED CANDIDATES' PETITIONS OF ELIGIBLE VOTERS GATHERED BEFORE APRIL 1, 2020 TO DETERMINE QUALIFICATION TO RUN FOR A DISTRICT IN THE JUNE 2020 ELECTION IN WHICH THE QUALIFIED AND QUALIFYING CANDIDATES RESIDES FOLLOWING THE CITY'S ADOPTION OF THE REDISTRICTING MAP; QUALIFIED AND QUALIFYING CANDIDATES AFTER APRIL 1, 2020 MUST OBTAIN PETITIONS OF ELEGIBLE VOTERS IN THE DISTRICT WHERE THEY RESIDE TO RUN FOR THE DISTRICT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

Again, Mayor Dowdell was asked to read the instructions for the public hearing as printed.

**Summary/Presentation of Ordinance 1111-2020 Changes by Staff** – The City Manager provided an overview by stating, “The proposed ordinance affects and carried out the changes made to the ordinance to allow candidates to qualify in two respects for office: . . . we have always operated off of an order from the federal judge that candidates must sit in the district in which they are going to represent. . . on or before the qualifying period. So, in the first section of the ordinance . . . you will see a change in paragraph 1. In the second portion of it, it addressed the redistricting that the commission put in affect. It allowed those candidates who qualified before April 1, 2020 to use the petition gathered (25) in any district which they resided after the reapportionment. Once the map was drawn, if a candidate has gathered 25 votes under the old redistricting plan, they can use those petitions for the district for which they now reside, if the district is up for re-election. After April 1, all candidates must qualify and obtain 25 petitions in the district in which they reside based on the redrawn districts. . . those will have to be persons within their district. They first part of the change, April 1, 2020 is a replica of the state. . . , that language was provided to us by the Supervisor of Elections when the clerk of the city, myself and the redistricting consultant met with her and her staff. . . before any map were drawn. . . All of the procedures dealing with 26 of the code of the ordinance remain in effect regarding the election. . . the qualifying period remains in effect. . . that was not changed. . . ”

**The Mayor opened the meeting to the Public Hearing Session related to Ordinance 1111-2020. Citizens to be heard questions and comments were received by the City of Quincy's email address ([citizenstobeheard@myquincy.net](mailto:citizenstobeheard@myquincy.net)). Any and all written (emailed) questions and comments received from citizens are on file with the Office of the City Clerk. The city staff and/or attorney and/or commissioners' responses and discussions/debates are provided in the minutes of this meeting.**

**Citizen:** Suzanne Johnson, 412 North Ninth Street (three questions) – **Responses** – Attorney Roberts stated, “Mr. Spitzer when he did his calculations, he did not do his calculations with anything other than raw data that he had and that was produced. He did not look to disenfranchise voters; he did not look to favor or disfavor any commissioners as elected

officials. Also, when he did the maps, he did it have any idea when he met with the Supervisor of Elections, who was running and who was not. His information was that Commissioner McMillan was not running. And when you are not running, you have a little more latitude as to how you draw the lines. His lines were drawn and meets all of the criteria set forth in the Florida Fair Redistricting Amendments to the constitution of the State of Florida. One, is 10% delineation. one of the things not mentioned that Mr. Spitzer wanted to get it right. . . was the districts as equal in proportion as is practicable. . . He accomplished those goals. . . That was not done to disenfranchise any one at all. In fact, his map would withstand any scrutiny that shall come forward in the near future."

The City Manager further explained, ". . . there is not a legal requirement that a city commissioner's seat be taken into consideration or requirement by law. . . not required by Florida law or federal law. . . It was a consideration and was pointed out by the consultant during the workshops and meetings. . . that is not a legal requirement. . . At the meeting with the Supervisor of Elections and the information available was that the commissioner's seating in district 5 . . . he was not seeking re-election. . . that information that was shared with the commission before and can from several citizens, respected citizens and the consultant also shared with the commission that is what he surmised from each individual commissioner. . . this is not a legal requirement."

### **Summary of Discussion/Debate**

Commissioner Harris requested, "Can the City Manager or Attorney define to us what is considered in the Voting Rights Act, what is considered a minority? Because the question posed. . . incinerates that the whites in the City of Quincy are a minority, which they are in the City of Quincy, they are . . . Regarding the Voting Rights Act, what do they define as a minority which regards to diluting a minority population?" The Attorney responded, "When they are talking about diluting a minority population, they are talking about African-Americans and Hispanic, in particular. . . Historically, maps were drawn in a way to disenfranchise Blacks/African Americans all the way till 1964. . . that is why you had the Voting Rights Act come thru. . ."

City Manager McLean explained, ". . . the other thing that the consultant pointed out was that the Hispanic are a group of interest, but are not a defined category in the Voting Rights Act because Hispanic is defined more about language, than it is by a racial grouping . . . a Hispanic could be Black or someone of African descent or could be someone of Spanish descent. . . like from Spain. . ." The Attorney further explained, ". . . a lot of Cubans in Miami fill-out as White. . ."

Commissioner Bass-Prieto requested clarification, "I realize that the Caucasian/White population. . . are not considered a minority, but they are protected under the Voting Rights Act, are they not?" Attorney Roberts responded, ". . . I did not see where White Americans were carved out in the Voting Rights Act, however, you can take the position, that no one should be discriminated against in the Voting Rights Act."

Commissioner Bass-Prieto questioned, "Does it not mention race as a factor in discrimination?" Attorney Roberts responded, "Voting Rights Act? . . . I am looking at the Fair Redistricting Amendments to the State Constitution . . . they talked about one of the things to



be considered . . . is the lines should not be drawn with the intent or results of denying or bridging the equal opportunity of racial or language minorities to participate in a political process. . . or to diminish their ability to elect representatives of their choice. This language is referring to primarily African-Americans.

**Citizen:** Suzanne M. Johnson, Question 2 out of 3 - **Responses** - Mayor Dowdell interpreted and referred to Commissioner McMillan being removed from his district. Commissioner Harris responded, “. . . I think that question has been answered. . . that was not one of the rules or guidelines to protect an incumbent. Attorney Roberts also stated, “That has been answered already as well . . . Mr. Spitzer when he drew the map, he drew the map to get the best proportional representation of Quincy as is possible. He did not draw the map to bridge or infringe on any particular commissioner, however, if he had known that Commissioner McMillan was running again, . . . I don’t know, he might or might not have taken into consideration. However, when he did that. . . with the knowledge that Commissioner McMillan was not running.”

**Citizen:** Suzanne M. Johnson, Question 3 out 3 – **Responses** - Mayor Dowdell stated, “. . . that was not a conflict of interest for me. Who was running for re-election was not a consideration when we did this. . . The whole task was left up to the consultant. The consultant came in and gave us three options and the commission voted, and I am still a part of the commission, . . . voted on the map that we chose, and I have a right to vote just like everyone else. . . just because someone from the outside wants to run. . . does not put me in a conflict of interest.”

Attorney Robert commented, “. . . The fact remains that is not a conflict of interest issue. You are voting on a redistricting plan and we do not know how the plan is going to impact anyone. . . what we do know is that we want the best district lines so that we can come out of a state of malapportionment. . . Historically, I want the citizens of Quincy to understand. . . these lines were drawn in 1974 by the city manager and a city commissioner who sat down and drew these lines and these are the lines that we have been dealing with all the way to this point. That is important to know. . .there were no independent consultant, no using the 1970 census data, it was basically done thru the utilities meter readers to contact households within the City . . . and back then they also acknowledged that there were about 600 residents unaccounted for, therefore, literally, the ghost of that past is coming back . . . But now we have an independent consultant to come in, look at the lines, draw the lines irrespective of candidates and who the people were, and this commission voted on it. . . and we have very defined lines that the commission can use for future representation of the citizens of Quincy.”

### **Summary of Discussion/Debate**

Commissioner Harris rhetorically asked, “. . . The redistricting map that we voted on, is that within the current law?” Attorney Roberts stated, “It is well within the law. . .”

Mayor Dowdell thanked the Attorney for bringing forth the history, stating, “. . . People have forgotten. . . Judge (Middlebrooks) ruling put us into the five districts in the city . . .”

Commissioner Sapp summarized by stating, “Attorney Roberts. . . Are you saying that the maps that we have been using for the last 45 years were drawn by a city manager and a

commissioner?" Attorney Roberts responded, "The city manager was W. F. Johnson and commissioner Billy McHathney. The city manager divided the City of Quincy into 23 neighborhoods, averaged them out and then got together with Commissioner Billy McHathney and divided the City into five districts; district 1 = 1700, district 2 = 1590, district 3 = 1700, district 4 and district 5 = 1500 each equally. They acknowledged that this was done with 600 people missing and unaccounted for. They were also pushed toward a deadline. . . therefore, a rush decision as well. They pushed and the elections happened after that. . . that was the map drawn in Quincy and that was how it was done."

The City Manager requested that the Mayor read the summary into the record.

Commissioner Bass-Prieto stated, ". . . I had contacted Attorney Roberts in reference to the ordinance because I think in four or five places it referenced to James Palmer vs the City of Quincy Commission. . . . He was going to send me a copy. . . he did not have a copy of that. So one, I would like to ask Mr. Roberts if he has obtained one yet? . . . Secondly, some of the issues that have been brought up. . . seem like we are answering questions two-folded. One answer to why Commissioner McMillan is the only sitting commissioner moved out because the consultant thought he was no longer running and the second, is that it makes it even. But you can't have both. . . You can't have a consultant working, who clearly said keeping current commissioners in their district except for one. This whole thing . . . he thought he was not running, he met with all of us. . . Mr. McLean has his telephone number, he could have called and asked him. . . To say that citizens said that he was not running, is not how we should perform. . . If the consultant was concerned about keeping four commissioners in their districts, why wouldn't he be concerned about the 5<sup>th</sup>. . ."

Mayor Dowdell replied, "I think Commissioner Bass-Prieto is mixing apples with oranges. . . the consultant said that the question was asked, if Commissioner McMillan was running. . . and the answer was no."

Attorney Roberts responded, ". . . That is something the consultant could have considered, if someone is living closer to a district line . . . the fact remains one of the top consideration in redistricting is. . . what the Fair Redistricting Amendments to the Florida constitution states, it is not to be drawn with the intent to favor or disfavor of a political party or incumbent. . . . When Mr. Spitzer drew the lines, he did not draw the line to deliberately remove Commissioner McMillan."

Commissioner Harris continued, ". . . an incumbent is not one of the criteria. . . what is a part of the criteria is population. . . we have to have equal districts in terms of populations. . ."

Attorney Roberts restated, ". . . in 1974, going back to the archival research, there were 600 people missing. . ."

The City Manager clarified by stating, ". . . It was not his job to pick up the phone. I assumed when this process started that the Commissioner in district 5 was running for his seat. . . I did not make any decisions. . . It was the consultant's job to pick up the phone, look at the facts. . . I did not put my thumb on the scales of what the commissioners were doing. . . The consultant made those recommendations himself. . ."

Commissioner Sapp questioned, “. . . Is there anything in the way the map was drawn . . . the map that we adopted, that would prevent two Caucasians/Whites from serving on or being elected to the commission?” The Attorney responded, “ Absolutely not. . . In Sarasota, it came up in a meeting, there were challenges to the map. . . one of the reasons why the map in Sarasota was challenged, in that the commission did not use a map by the consultant. The consultant gave them the map to use and they chose to use another map that was partisan and attempted to eliminate certain people . . . that’s why they run into problems. This commission did the right thing by following the consultant. . . this commission had multiple maps to choose from. . . you thought what was best for the City of Quincy and voted on it. . . You followed the advice of the expert in this case, which was Mr. Spitzer. . . ”

**Citizen: Beth May** – Question 1 - **Responses** – City Manager McLean replied, “. . . The qualifying period is April 27 to May 1, that is the official dates. The length of time is the same as in our charter for 45 years. . . All candidates knew that there was going to be an election coming up, whether it was going to be an April election or the June election. Most candidates, if they were interesting in running for an office, began the petitioning process or qualifying process . . . in order to meet all the qualifications for qualifying, as well as gathering enough petitions to meet the 25 petition limitation. So, if a candidate knew that they wanted to run for election, they could have qualified prior to April 1. . . whatever seat they were in . . . they could use those petitions. . .to run for office. They did not have to wait. . . If a candidate chose to wait until they knew what the lines looked like. . . they could do that too. . . the commission made the decision, I believe, back in March to do the June 9 date. . . So any candidate who wanted to run for a seat, had an opportunity to conduct themselves in a manner to qualify . . . and to gather those petitions. . . As to whether there was sufficient time for the Supervisor of Elections, I began to have a conversation in 2019 and requested dates for when she wanted to have the election . . . Staff pushed for an earlier election, but she (Supervisor of Elections) could not gather all the information and do it in a timeframe to conduct the federal election which occurred in March and get all of that information back to the federal officials. . . The June 9 date was decided by the Supervisor of Elections. . . I went back to the Supervisor of Elections and proposed several dates, I proposed a dates in September and August. . . She indicated that none of those dates worked for her. . . If she was going to run this election. . . we did not have the capacity to run this election ourselves. . . that date was not driven by staff, but was driven by a very qualified, experienced, long-serving Supervisor of Elections. . . who takes pride in what she is doing. That date is the one that she said works best for her to get the information in. All of the dates that she set-out, the consultant complied with them. She did not ask for additional information, it was sufficient and adequate . . . ”

**Citizen: Beth May** – Question 2 - **Responses** – City Manager McLean responded, “. . . There was a technical glitch in the set-up of the email and so her questions were not received. I have apologized to her and told her that her questions would be read by the commission and Mayor and considered prior to the adoption of the ordinance, assuming one way or the other if the ordinance is passed or not passed. . . As for the notice, the notice requirements for this meeting, there are several reasons for a special meeting; no special meeting was called outside of the commission’s normal and regular rules and regulations. They were all appropriate. . . As the Attorney mentioned. . . 45 years ago, they were under the same kind of constraints and time pressures in order to try and get the lines done. . . We had the June 9 requirement and advertisement requirements . . . some of them held outside of the normal meeting schedule. There was also the scheduling of regular meetings, . . . This is always a

debated item. . . allowing it to be where there was limited agenda item. So . . . that it would allow people to fully participate in it. . . This process started back in November 2019. . . the commission chose to go with a different consultant. . . and then we had to go out and advertise for another consultant. That took another 45-60 days in the process . . . that shorten the window for getting done and moving it to the point in which the commission could make a decision. . . If I had to summarize it. . . one, the lengthening of the process by the consultant selection process because the commission exercised its will and wanted to advertise for a consultant. . . the original consultant was pushed aside. . . the second one, had to do with the advertisement requirements and the short, if you go with the local newspaper, time to get it done because of the weekly paper as opposed to having a daily paper. . . the other had to do with the practicality of how to manage the regular schedule to get things done . . ."

### **Summary of Discussion/Debate**

Commissioner McMillan responded, ". . . We just got these questions in an email before the meeting. . . and those questions were sent in on the 21<sup>st</sup> and I think I heard Mr. McLean say there was a glitch in the email that people were supposed to be sending them to. . ." The City Manager replied, "I did." Commissioner McMillan added, "So, there was supposed to be a public meeting on Tuesday, and the public cannot get in the building, and were given an email address to send their questions to and that email address did not work?" The City Manager stated, ". . . it was not a public meeting under Florida Law, we have to have two readings of it and only one public hearing. . . there is a difference between a public meeting and public hearing or citizen participation . . ." Commissioner McMillan, "Was citizen participation limited because of this?" City Manager McLean stated, "I do not think so. The Mayor sat in the chamber for the expressed purpose of any individual who wanted to come in; the police chief sat outside of the building for both meetings. . . and any citizen who wanted to enter the meeting would have been allowed in the meeting. . . The building was not locked down. . . access was limited because of coronavirus, but at all points and times, any citizen who wanted to appear and come down to the meeting could do that. . . In fact, as we got into the coronavirus environment, citizens at the last moment, members of the Mayor's family. came down and spoke. . . to the commission. . . As I recalled a citizen came with a mask on. . . that is why the Mayor sits in the chamber now. . . so the building was never locked down. . . or citizens excluded from it. . . In the prior meeting, we did use the phone system. . . in which we got questions sent in... when we did the research on it, we found that others had used the email approach. . . the email approach provided more certainty in terms of . . . making sure we read the questions more accurately. . . We only had, for the record, one citizen who attempted to use the citizen to be heard based on the information that we have and that was Ms. May. I received information from others who said they were trying to get on. . . and I responded to that. . . they were using the comment section of Facebook. We do not get that information. . . Another one said, I sent you an email, I replied, please forward me your email, as Ms. May did. . . clearly she documented that she attempted to get into the system and it bounced out. . . no other citizen when I looked at the Facebook comments . . . no other citizen had attempted to get in..." Commissioner McMillan observed, ". . . At the end of the day, we are in COVID-19. . . where people came to our meeting wearing face masks and were highly upset then. . . and we provided citizens with an email address that doesn't work. . . that is the way I understand it now. . . "

Commissioner Bass-Prieto questioned Mr. McLean, "We opened up a public hearing at the April 21 meeting and we declared that there were not email questions. . . I have had two or three citizens contacted me, stating that their questions were not answered, Ms. May is one of them. But when you open it up for a public meeting and you give citizens a way to address their commissioners, then it doesn't work. . . that is a failure of our system. We have had repeated issues with everything that we have done . . . with this redistricting. . . as far as the notice, we have to notice this meeting 10-days before. . . we made a mistake in the April 9 paper . . . We knew we were going to have an ordinance hearing, then we advertised it on the 14<sup>th</sup> in the Tallahassee Democrat. . . that gave us seven days . . . until the first meeting. Why could we have not advertised those meetings in that way. . . Another issue that I have. . . is that we are now limited to computers. We have several people in our community that do not use computers; we have several people who are not on Facebook, and we have several people who are following the Governor's Order and are staying-at-home. . . and to say that they can come up here. . . and go and unlock the door. . . and the chief volunteered to go out there before the meeting . . . and to say now that they can come up here is a little disingenuous. . . this is a time constraint that you knew on April 9 because you filed in the Gadsden County Times a notice of this meeting. . . we could have scheduled earlier and given our citizens notice. . . and to say that . . . is because of the pandemic. . . no it is because we are not taking the time and the effort . . . to make sure our citizens are appreciated. . . when given two-days or one-day notice of a meeting on Facebook or on the City's website that isn't making them feel like they are part of it. . . and when you give me an email address and we say there is no questions, they really feel let down. There are all these excuses. . . as far as how citizens view us. We need to make a much better effort at being inclusive to our citizens and being open . . . we knew on April 9 that we were going to have this meeting. It could have been notice right after. . . the April 21 meeting could have been noticed. . . that would have given our citizens enough time. We had time to run it in the newspaper even though we had the wrong date on it. Why couldn't this meeting been noticed on the 14<sup>th</sup> instead of on the 19<sup>th</sup> ? . . ."

City Manager McLean agreed, ". . . I agree that we want citizens to be involved in this process. . . and this process has been going on for some time. . . and I think they have been involved. . . and I am looking at the various meetings that we have had. . . from 4/24 meeting, 3/26 meeting, 3/24 meeting, workshop meeting on the 18<sup>th</sup> , and then on the 19<sup>th</sup> on this subject matter. . . we had the March 2<sup>nd</sup> , election date change . . . we had on Feb. 25, 2020 both the 1<sup>st</sup> reading, March 2 was the 2<sup>nd</sup> reading, we had a meeting on January 30. . . we started the special meetings when we had the consultant's contract come before the commission. We also had a workshop on November 20<sup>th</sup>, so citizens have been involved. Staff have taken direct comments from me about the mix-up of that citizens-to-be-heard. . . In fact, there have been severe reprimands about that. . . so I take that very seriously. As to the Tallahassee Democrat, . . . maybe that is what we should be doing. . . it would give us more opportunity to manage the schedule, with the number of things that we had done. . . we have gone thru Hurricane Michael, we have gone thru a tornado, after that, now this scare here, . . .these have been all major things, staff has had to work on and manage that to. . . perhaps, we may need to look at the Tallahassee Democrat. . . to talk about the issue of getting it out. There is nothing changed in the way we do things. . . the argument is that citizens don't watch TV and don't have cable and that is true. . . that was true before. . . that is true today, . . . will be true tomorrow. we advertised it in the same way. . . putting in on the website, putting it on city hall, we went an extra way . . . send out about 2400 special text

messages. . . for this hearing. Therefore, the staff is making an effort to involve the citizens in this issue. There has been extensive coverage on it. . . as to the April 9<sup>th</sup> meeting and if we could have gotten it out before . . . The manager will take responsibility for everything. . . for what his staff is responsible for and for the management of shortcomings. . . It did have the wrong date, but . . . the public was on notice. It run in the paper . . . It was an honest mistake and mistakes occur. . . "

Commissioner Sapp commented, "Thank you, Mr. McLean for your explanation and timelines. . . and the amount of time that we have put into this. . . We know that this is a sensitive matter and touches the hearts of people in Quincy. . . about persons not being able to have a telephone or emails or Facebook or computers. . . we have been elected to commissioners in our districts . . . from my perspective, when my constituents need to get to me or get something to Mr. McLean, they have no problem getting it to me. . . they use all kinds of means to get in touch with me. . . all means. . . being that we are mandated to not be around others, social distancing . . . we have to be creative in how we ask our constituents to get in touch with us. . . I feel like those people who are interested would get the message to us. . . I appreciate Ms. May, Ms. Phillips, Ms. Sapp who continued to send their questions in, so. . . I do not think we should beat this thing about those who do not have computers, telephones, or Facebook, because . . . they have one of those means to get in contact with us or Mr. McLean. . . We are in trial, we have never done this communication or use technology like we have done. . . yes, we have had problems. . . we jumped all over Mr. McLean about getting it right. . . It is not clear; we need to be able to hear. . . it is embarrassing. . . Getting that cleared up, getting information to citizens, we still need to work on that Mr. McLean, but I don't think there has been anyone who has not been able to get their questions to us. . . "

Commissioner Bass-Prieto commented, ". . . My point is. . . not that we advertised this in the Tallahassee Democrat, but. . . the April 9<sup>th</sup> meeting and yes, there are a lot of people, particular, the elderly, who do not use computers. . . It is mandated under the statutes, that we need to notice people where they can view the ordinance and how they can ask questions. It is very easy to have an address that you can mail your questions to. . . since it is put out 10-days before the adoption of the ordinance. . . I have had citizens to call me about meetings. . . We have changed the process. . . throughout this whole process, I do not think we have had a four-day notice of the meeting. . . that does not vote well to our wanting to have citizen input. . . No one but this commission make this short-term redistricting when Mr. Spitzer . . . said he never done this before in this short of time. . . we knew what we were getting into. . . and I feel like as a commissioner, it is our responsibility to make certain that our citizens be heard and our citizens feel like this is something that they are involved in for their best interests are being look after. . . I can't go out and find every citizen that does not have a computer, but I get calls from citizens all the time. . . they ask me during this time, how am I supposed to watch the meetings? I don't' have an answer for them. . . My biggest consideration is that we give people enough time to get their questions in . . . I received an email today from a lady who called five different times. . . trying to find out about the meeting today. . . I am just saying, we need to have an open, fair and widely publicized process. . . so that people will feel like their opinions are valuable and that we really want to hear it. . . "

Commissioner Harris questioned, "Does the charter require a four-day notice for a meeting?" The City Manager responded, "No Sir." Commissioner Harris asked, "What is the requirement for a meeting?" City Manager McLean answered, "the charter requires two regular meeting.

..” Commissioner Harris restated, “What is the requirement for noticing the meeting?” City Manager McLean responded, “It depends, if you are on your regular meeting, it does not require anything, because it is scheduled every 2<sup>nd</sup> and 4<sup>th</sup> Tuesday.” Commissioner Harris questioned, “What about a called meeting requirement?” The City Manager responded, “The requirement now is 24-hours.” Commissioner Harris, “Are we within the 24-hour notice period?” City Manager McLean, “Yes, we are well within that. . .” Commissioner Harris, “The constituents who contacted Commissioner Bass-Prieto could not get any information concerning the meeting?” City Manager, “I don’t know. . .”

Commissioner Sapp expressed, “The comments that we are making are still relevant. . . to the citizens’ concerns and I do appreciate you (Mayor Dowdell) wanting to stick to the agenda. . .”

**Citizen:** Paula Phillips, 816 Sunset Drive – **Responses** – City Manager McLean responded, “. . . Regarding a couple of points, . . . the \$10,000 . . . the manager has the authority to do that and exercised that. . . it was based on a suggestion from the commission. . . That we begin the redistricting process, that was what those funds were used for. . . to determine first whether or not we needed to do redistricting. . . If in fact the study had not indicated that we were not malapportioned, then that would have been the case. . . but that was not the case. . . The first workshop that was presented was with the first consultant. . . there were no maps done at that time because we were presenting to the commission the malapportioned data. . . there were maps of the current districts, as well as, statistical data on population to show that they (the districts) were malapportioned. When the maps became available, along with interviews with commissioners, those maps were presented to the commission. . . in workshops and then in meetings. . . for decisions. It is either Zoom, WebEx. . . all over the state of Florida. . . they are using these to conduct meetings. . . We are not doing anything atypical or unusual . . . Tallahassee is doing the same thing. . . Leon County is doing the same thing. . . everyone is having the same challenges. . . As to the census, . . . these questions have been well debated by the commission. . . I did go back and see when it was coming out. . . The census is delayed. . . in fact, they won’t start doing the national census till July 2021. such that the commission would have ended up in 2022 or longer. . . in terms of waiting for census data. Indeed, the census data may be delayed longer than July 2021. . . The policy decision as to what to use. . . is the commission’s. . . The City Attorney said that in that time period they did not use the 1970 census . . . and missed 600 people. . . the procedures are there . . . the commission has considered . . . and the record is complete. . . There have been threats of litigation and I do not want those threats to go unnoticed and that the record itself is fully made . . . for any legal challenges.”

**Citizen:** Martha Sapp, 701E. King Street – **Responses** – The City Manager responded, “. . . The commissioners, Commissioner McMillan and Commissioner Bass-Prieto were not left out of the process. . . The planning process was there, the RFP indicated what we expected from a consultant, the commission look at that RFP, reviewed it and made a selection based on that RFP. . . The list that I mentioned earlier, beelines that statement. . . Why did Mr. McLean begin this process? I began this process because I was requested to do it by the commission. . . by the Mayor, hearing no dissent . . . I began that process. . . the consultant investigated whether there was malapportionment among the districts. . . But no commissioners were left outside of the process. . . every commissioner had the same opportunity to participate in the process. . . every opportunity to draw maps, which Commissioner Bass-Prieto drew at least two maps

that she wanted to look at. . . Commissioner Sapp submitted a map that she wanted to look at in terms of changes. . . Commissioner Ronte' (Harris) submitted maps that he wanted to look at. . . for changes. So, commissioners were involved in the process. . . and had an opportunity to submit their plans and suggestions to the consultant. The consultant commented on all of those suggestions as to whether they were legal or constitutional and in the end, he presented . . . no one was excluded from the process. . . Ms. Baroody who is a citizen had her map looked at and evaluated. . . by the consultant. . . "

### **Summary of Discussions/Debate**

Commissioner Bass-Prieto interjected, ". . . all four of the meeting, both the workshops and the one special and regular scheduled meetings that contained the redistricting information, I was unable to hear in any of them. . . I have had to questioned how I was able to participate. . . Yes, I did draw a map, my map was not given to me, he had estimated numbers, and Ms. Baroody drew a map and I believe Commissioner McMillan drew a map. . . all three of those were combined into one kind of collage map. . . the consultant did. . . Actually, they were not considered. . . on the final day when the ordinance was adopted. . . I submitted a map that was never brought up. . . I would like that correction. . . Commissioner Bass-Prieto could not hear during all four meetings on the redistricting, so I was not able to participate in a knowledgeable or anyway that really made sense to me. . . It still bothers me that we are able to do this today, but we were not able to do this two weeks ago. . . I went thru that whole process asking the attorney and the city manager for help so that I could hear. . . He knew from the beginning that I could not hear. . . and the jokes and laughing . . . that was an indication how the commission felt about my inability to hear and my inability to be there because I have a medical condition and my doctor told me to stay home. . . So, we cannot paint this as a rosy picture. . . because it wasn't a rosy picture. . . Mr. McLean and the Attorney Roberts both knew I could not hear at any of the meeting. . . and it was evidenced by Mr. Spitzer when we tried the first WebEx meeting. . . he could not hear a single word. . . and either could I... I do not feel I was able to attend and contribute to any of those meeting in any shape or form. . . "

Commissioner Sapp questioned, "Were there any votes taken at any of those meetings that Commissioner Bass-Prieto could not hear at?" Mayor Dowdell stated, "I think there was one of them, because she voted. . ." Commissioner Sapp, "Did she vote?" Commissioner Harris, "Yes, she voted and she answered to the roll."

### **Public Hearing – Citizens' Questions and Comments**

**Citizen:** Julie Baroody – **Responses** – Question 1 – City Manager McLean, "The first part has already been answered before . . . in terms of the time deadline. The State of Florida was not on a stay-at-home order for the entire deliberation process of this ordinance . . . This whole redistricting process proceeded the stay-at-home order and proceeded the coronavirus scare which can in full focus in February. . . The Mayor issued his first order, executive order. . . around Feb. 28. . . prior to that time we had several hearings and discussions on the redistricting process. . . In that initial order, we were not on stay-at-home, the Governor did not come up with a stay-at-home until almost a month later. . ." Question 2 – City Manager McLean, "It really does not matter if it is two or one . . . or three, the issue is malapportionment. Once there is malapportionment, then the commission is legally obligated to address the



issue. . .” Question 3 – The City Manager, “. . . I think the commission has already answered that question. It was well debated about the 2010 and the 2020 data. . . The commissioners’ arguments are fully stated in record.” Commissioner Sapp, “. . . I made a point earlier that this was the beginning of a cycle year. . . for voting and re-electing commissioners. . . If we waited until the census data come out. . . it would not be done until 2021 and we would not have the results until 2022 . . . everybody wants to use the COVID-19 and so, we do not know when we will get the results back. . . in terms of the census. this was good to start now with district 1. . .” Commissioner Harris commented, “. . . I was the commissioner who made the argument about who would be running with probably three district city elections. . . It will be the next three years. . . before we get the 2020 census data. . . Once we realized that we had malapportioned districts, we needed to go ahead and redistrict, so that we can get those districts equal and offer our citizens the fairness probable elections moving forward. . . ” Question 4 – Commissioner Harris, “You need to ask the previous commission. . . I think this one is doing an awesome job of addressing our issues and correcting the past. . .”

**Citizen:** Catherine Robinson, 2039 Martin Luther King, Jr. Blvd. – **Responses** – Question 1 – The City Manager, “I think we have answered this question in the last meeting. . . Every commissioner continues to be seated. . . until the election on June 9<sup>th</sup>. Her commissioner is district 5, he (Commissioner McMillan) represents. . . until June 9<sup>th</sup>. . . based on the law and the opinion provided by the attorney. Question 2 – The City Manager, “If you are talking about the new district 5. . . He can run for that office if he chose to. . . in order to run for it, he needs to meet two qualifications: number one – relocate into the district on or prior to May 1, 2020 . . . and number two, obtain another 25 petitions from citizens. . . Yes, he can run. . . ” Question 3 – City Manager McLean, “. . . Let me answer from a staff standpoint, the consultant after 35, 40 years drew these lines. . . no staff drew these lines, no staff . . . even had the data to do anything with . . . or to cut anyone out of a particular area. . . I supposed a commissioner could have asked. . . Commissioner Harris, why you took part of my district? Because a significant part of his district was moved into another district. We have a professional judgment that has been rendered on the malapportionment and have given us the map with population census data and is within the constraints of how you draw the lines. . . there are a lot of criteria for doing that. . . But staff had nothing to do with that. . . I met with the consultant and he had no axes to grind. He was not from this community, he was apolitical in his process, and he did a good job. By the way, it did not matter which map the commissioner adopted, I would have said he did a good job. . .”

Commissioner Sapp commented, “. . . I want the record to state that I do not know of anyone who is totally happy with their map. . . I know that my population size was small. . . and needed to be proportioned with other districts. . . and I appreciate that . . . that was my biggest concern. . . I told the newspaper editor after the meeting to make sure that the population was equal to the others. . . There were times on some of the maps when my district went across highway 90; there was times when it went across Adams Street. . . it went all over the city. . . The final map gave me more land mass and people and to get the numbers that I needed. . . and to keep the demographics as to not to dilute the minority vote. . . I am sure that everyone is not happy with all of the maps, but it is what it is and we have to move on with it. . .”

**Citizen:** Former Commissioner Derrick Elias – **Responses** – Question 1 – The City Manager, “. . . This question has already been answered. . . the attorney said that all of the maps presented

to you to choose from met constitutional standards, so all of the maps were drawn fairly within the law. . . Any map that you would have select would have worked. . ." Question 2 – The City Manager, "Yes. . ." Question 3 – The City Manager, ". . . I do not know. . . everyone gets the district that they were given. . . Commissioner Harris expressed in the meeting itself, he would have like to have had certain areas. . . and the same thing for other commissioners. . . the benefit is that we got the districts that we have. . ." Commissioner Sapp, "Again for the record, this commissioner has not benefitted from anything except now I have a . . . district where my population is equal or proportioned to the population of the other four city districts. . . it is not a benefit to me, but to my constituents. . ." Question 4 – The City Manager, ". . . There has been no intentionality in this redistricting process. . . It was a fair process and one that came from the professional judgment (of a consultant) and selected by all five commissioners. . . "

### **Summary of Discussions/Debate**

Commissioner Sapp commented, ". . . I have heard 'fair' used multiple times in the last five minutes, Attorney Roberts, did we meet the criteria that we all should have all been using, can or will what we have chosen hold up in a court of law. . . did we follow the law?" Attorney Roberts responded, "You have exceeded what you needed to do. . ." "Please elaborate. . ." Attorney Roberts, "One, is you are within the 10%, you have the population that is as practicable as can be for the districts. . . you have that. . . you met that. . . you did not disenfranchise any racial minorities. You checked all of the boxes. . . "

Commissioner Bass-Prieto stated, ". . . Mr. Roberts that is basically just an opinion. . . you are not a finder of facts. . . But what my biggest concerns are with all the maps were that there was not enough variation in the maps . . . All four of the original maps . . . they included the prison, they included the jail. . . there was not one map, I specifically talked to the consultant about my concerns and about how high the prison and jail populations are. . . and how that affects the one commissioner . . . I also take issue with Mr. McLean saying that this was a commission decision. . . before he went out and hired the consultant. . . Mr. McLean, this was not a commission's decision. . . It was the Mayor and your decision. . . This commissioner never heard about any consultant until we had the workshop; it was never brought up . . . about hiring a consultant to look at our redistricting. . . and by the fact. . . we had annexed three apartment complexes in the last two years . . . we would have looked at the Supervisor of Elections numbers. . . but instead we spend \$10,000 on a consultant . . . and when we hired the second consultant who told us that the first consultant's numbers were wrong. . . If you look at district 4, all of the White votes have been stacked in district 4. . . There could be questions about that. . . The Voting Rights Act does talk to racial . . . Also, there are questions about political gerrymandering . . . when you see one commissioner moved out of his district when the other four are kept in... because someone else told someone else. . . that this commissioner wasn't running. . . Why did you as an attorney take hearsay rather than go to the horse's mouth (the commissioner)? . . ."

City Manager McLean, "Why didn't the commissioner make a public announcement that he was running? . . ." Commissioner Bass-Prieto, "I don't think he is required to. . ." City Manager, "I don't think I am required to do anything either, Commissioner. . . "

Commissioner Bass-Prieto, "My opinion is. . . if you do not know that Commissioner McMillan that he wasn't running, then you should have just said nothing. . . should have left it with that . . . I don't know. . . But our consultant said he was told. . . that Commissioner McMillan was not running. . . and he had to be told by someone. . . because Commissioner McMillan said he did not tell him that. . . and I take issue with that. . . Yes, I did vote, but if you remember. . . I had to get on speaker phone in the last meeting . . . a lot of times I did not answer. . . it was a big joke. . . I just could not hear it. . . and I certainly could not hear what the consultant was saying. . . and I could only hear part of what Mr. McLean was saying. . . So, this process has been, from start to finish . . . rushed; it was not approved by the commission. . . We spent \$10,000 on information that we did not use. . . and it was the Mayor and the City Manager's decision, not this commission . . . I just looked at the meetings, three of these meetings were held during regular meeting times, the rest were special meetings. . . called two or three days; many times I got a notice at 5:30 pm on a Friday for a meeting that was going to be on a Tuesday. . . I questioned why we had to do it that way. . . We didn't have to do it that way. . . We could have involved our citizens in a much better way. . . But to say that this commission decided to redistricting is no... only one person asked about it and that was the Mayor and that was Mr. McLean . . . "

City Manager McLean stated, ". . . The commissioner could have spoken up and said what he was doing . . . he was in the interview. . . I did not go out and solicit information about the commissioner. . . I was asked by the consultant who was running. . . and who was going to be in the same seat? . . . He looked at that and said Why it is not required by law. . . that is a consideration. . . I responded to the question. . . which was, I don't think . . . I apprised him so that he could ask the commissioner. . . that dialog occurred between those two people. . . based on a conversation that he had (the consultant) with the commissioner, he left with the expression that he was not running for the seat . . . As to . . . The Police chief sat out the last time and provided security. . . so City hall, anybody who wanted to come in, could have come in . . . I just wanted to make sure we had an officer there . . . the chief said that he would provide security. . . There was not secret. . . "

Commissioner Harris stated he wanted to back to something that Commissioner Bass-Prieto had said earlier when she rebutted the attorney, recapped, ". . . It was not fact, but a matter of opinion. . . This commission did not make any decisions in terms of redistricting based on opinion. We were given a set of criteria. . . by our consultant who in term told us that this is what needs to get done in order to meet the Fair Redistricting Act. . . we followed that. . . to the law. Am I correct?" Attorney Roberts responded, "You are correct. . ." Commissioner Harris continued, "That is fact, not a matter of opinion. . . I want it to be clear that this commission did not vote and make a decision based on a matter of opinion, based on the facts given to us, the criteria to us by the consultant. Our maps or map that we are going to adopt, sorry that we adopted by resolution at the last meeting and the maps that we voted on in the previous meeting . . . they all met the criteria for fair redistricting." Attorney Roberts responded, "That is correct. . . "

Mayor Dowdell responded to Commissioner Bass-Prieto by stating, ". . . I try to respect you to the fullness, but please don't make comments about Commissioner Dowdell that you have no knowledge of . . . Anything that I have done in this meeting has been done in open and in a public meeting. . . So, don't say that the manager and the mayor started all this redistricting stuff. . . If you didn't want it done, you should have stated it in the meeting. . . So,

don't insinuate that I did something wrong. . . Commissioner. . . please keep personal opinion to yourself. . . because when you start making opinions. . . then I will start throwing opinions. . ."

### **Public Hearing – Citizens' Questions and Comments**

**Citizen:** Former Commissioner Derrick Elias – **Responses** – Question 6 – Attorney Roberts responded, “. . . Yes, immediately. . .”

The Mayor asked for any more or additional questions from citizens, commissioners, etc. The City Manager stated, “. . . We have not had any additional questions since the questions received from . . . Derrick Elias was at 6:06 pm on this day, April 24, 2020.”

The Public Hearing was closed by Mayor Dowdell and the ordinance was opened for consideration by the City Commission.

### **Summary of Discussions/Debate**

Commissioner Harris motioned to approve Ordinance 1111-2020 on second reading to make the proposed changes to the election code, seconded by Commissioner Sapp.

Commissioner Sapp commented, “. . . Referred to Nominations (Section 2) page 2 of 3, questioned, each signer shall indicate next to his or her signature the date of the signing and his or her place of residence, giving the street and number or other description sufficient to identify it . . . Do we not want to add: and their date of birth or voter registration number?

The City Manager stated, “If the commission wanted to add: date of birth or voter registration number? They can . . .” Commissioner Sapp stated, “I would like to add, because that is what is on the actual petition. . .” Commissioner Harris accepted the friendly amendment/change to the motion.

The Mayor called for the amended motion and a roll call.

<b>Commissioner</b>	<b>Vote</b>
Commissioner Harris	Yes
Commissioner Sapp	Yes
Commissioner McMillan	No
Commissioner Bass-Prieto	No
Mayor Dowdell	Yes

### **The motion carried 3 to 2.**

Commissioner Bass-Prieto commented, “Mayor Dowdell apparently did not see her hand and the roll had already been taken. . .”

Commissioner Bass-Prieto called for a point of order, addressing Attorney Roberts, stating, “I was attempting to get the Mayor’s attention; I had my hand up. . . you recognized

Commissioner Sapp, but. . . you did not recognize me. . . tell us how you want us to address you? You went ahead with the roll call; I tried to stop it, but apparently you did not hear me. . ."

2. **Special Use Request from Gadsden County to Build Telecommunication Cell Tower Behind the County Jail on Pat Thomas Parkway – Dr. Bernard Piawah, Building and Planning Department**

**Summary by Dr. Piawah** – This is a special use request from Gadsden County to build a new telecommunication tower adjacent to the existing tower located behind the County Jail on Pat Thomas Highway. Reason: existing tower is not structurally strong enough to carry all the new communication equipment necessary for the County to upgrade and improve its dispatch and emergency services capabilities. City of Quincy, Section 46-281 of the Code of Ordinance requires the County to request location of the telecommunication facility and undergo Special Use Review by the Planning Development and Review Board (PDRB) the City Commission. In addition, the code requires a maximum height of 140 feet, however, the City Commission can waive the height restriction, allowing the County to build a 400 feet telecommunication tower. The PDRB met on March 25, 2020 and unanimously approved the application from the County. The City of Quincy will benefit by way of the Police and Fire Departments. The balloon test for visual impact was conducted on Feb. 15, 2020.

Staff recommended the waiver of the height restrictions and approval of the application proposal for the 400 feet telecommunication tower behind the County Jail.

**Summary of Discussions/Debate and Questions from Commissioners**

Commissioner Bass-Prieto, questioned, the pictures attached to the agenda item and the number of towers and balloons. . . Dr. Piawah attempted to explain the balloons and number of towers. He stated, ". . . There is not replacement of a tower, but building a new one. . ." The current/existing tower will remain, and again, a new one built. The County representative, Allen Meeks, stated, "The existing tower does have equipment on it. . . and is still being used. . . however, the County is unable to add any additional equipment. . . The old tower is rusting and will eventually have to come down. . . Right now, it is still in use. . ."

Commissioner Sapp questioned, "When will the County do the electrical lines underground, will that have to go back to the Planning Board to get permission?" Dr. Piawah responded, "No. . . we are not there yet. It is part of permitting. . ." Commissioner Sapp asked, "Will that have to come before the commission for a vote?" Dr. Piawah responded, "No. . ."

Commissioner Sapp motioned to waive the height restrictions and approve the proposal to build the new 400 feet telecommunication tower, seconded by Commissioner Harris.

Commissioner Bass-Prieto questioned, ". . . In the pictures, there appears to be three existing towers, will these be visible. . . Is that correct?" Dr. Piawah stated, "Yes. . ." Commissioner Bass-Prieto, "Are there currently three towers there and will this be a fourth?" Mr. Meeks stated, "The County has one tower, . . . I believe there is one behind the State Department of Corrections. . ." Commissioner Bass-Prieto referred to page 11 of 15 regarding the

number of towers. She counted three. . . Mr. Meeks commented, "There are only two towers there. . . It may be, but not on county property. . ."

**The motion carried 5 to 0.**

**Comments: Commissioners and Staff**

Commissioner Sapp commented, ". . . Thank you to the Mayor for the mask distribution this week. . . We can never have enough masks. . . thanks to everyone, really appreciate the efforts that was put into it. . . Thank you to citizens for practicing social distancing. . . Reminded citizens about wearing the mask outside. . . as quite simple. . . Referred citizens to YouTube, Facebook and TV for tutorials. . . Recognized Mr. G. Williams for a story/article on WTXL about the coronavirus. Appreciation to the 1<sup>st</sup> Responders and what they are doing."

City Manager McLean recognized Classic T-Shirts for their donation of masks for the ongoing program to get them out to the public. Additionally, the company gave the City access to approximately another 1-2,000 masks.

Commissioner Bass-Prieto commented on citizen – Catherine Robinson – by way of question to the Attorney, "Currently, if you look at the Supervisor of Elections' website, if you look at the districts. . . Mayor Dowdell has filed for district 1; district 5 has three candidates listed; Ms. Baroody has withdrawn . . . Currently, district 5 has seating Commissioner McMillan and new opposite, Catherine Robinson. We have district 5 with a Commissioner who lives (based on the redistricting) in my district, and then we have Ms. Robinson. Commissioner McMillan is under the old redistricting; Ms. Robinson is under the new redistricting. . . I had a couple of people to call me and they had gotten their new voter registration cards. . . Next Monday starts qualifying, how is it, Attorney Roberts, that we can have two candidates in district 5? At last meeting, I specifically asked when will this redistricting go into effect, if it does not go into effect until the election, then I guess Commissioner McMillan's name will stay on the Supervisor of Elections website. . . At the same times, we got citizens getting new voter registration cards, especially those citizens who have been moved into a different district. . . So, Commissioner McMillan will be receiving a card with him being in my district. . . This is the issue I see by us doing things in a hurry. . . We can look at the Supervisor of Elections' website and tell that we have not clearly delineated what we wanted to do. . . We have candidates using the old and new districts. . ."

Attorney Roberts responded, ". . . first of all, I cannot answer any questions that are in the preview of the Supervisor of Elections. . . Commissioner McMillan is the commissioner until there is a new commissioner elected in June. . . Once the ordinance is changed, and his term was extended, that is a fact. . . He is the commissioner regardless to where he is seating today and is the commissioner for district 5. . . We have dealt with that. . . One Thing that you continually brought up. . . Is whether we are in compliance with 166.01(F.S.) which deals with procedures for adopting an ordinance?" Attorney Roberts walked the commission thru the details of this section with descriptions of actions taken. "Everything that is prescribed in 164.38 (F.S.) was followed to the letter. . . There is no requirement in 166.48, the City has gone over and above the call of duty to make sure the citizens of Quincy were informed. . ."

The City Manager, " . . . there appears to be this allusion that people did not know about the April 1 date? That information was shared with the Supervisor of Elections a month before because I discussed it at the meeting. . . that was shared with the commission at an open meeting. . . Also, shared with the candidates at an open meeting. . . Everyone knew that ahead of time. . . there was no secret about that direction. . . The Supervisor of Elections is not under any confusion as to application of the city's standards regarding the election and who qualifies. . . and who does not qualify. The question was asked by a citizen, Can Commissioner McMillan run? The answer is yes, he can, but he has to move from district 4 to district 5 on or before May 1, noon. . . and secure 25 petitions. There is no confusion about that. . . There is a difference between qualification or qualifying for an office and holding over an office until an election. . . "

Commissioner Bass-Prieto, "When you were speaking about 166 and you don't have to have emails and we don't have to have mailing addresses, . . . I have seen several that had mailing addresses. . . My main concern is that we are in a COVID- 19 pandemic . . . you were talking about the April 9<sup>th</sup> notice. It gave citizens some indication that we were going to have an ordinance, except for the fact the meeting was scheduled for March 14<sup>th</sup> and the publication was April 9<sup>th</sup>. . . Then on the 14<sup>th</sup>, we put out a new notice. . . What I am concerned about is before the first meeting on the 21<sup>st</sup>, we put on our website to email your questions in. . . you could not email your questions. . . It did not work. . . How can we have a public hearing when nobody can ask questions? . . . especially when they are following the directions that the city website has. . . When we run notices for ordinance changes and special meetings, that we have another option for people who do not have computers that they can mail in, especially, during the COVID-19. . . I do not think that we have done this well. . . How does this work? "

The City Manager recommended, " . . . We have a contract for the administration of the election with the Supervisor of Elections. Those who have questions should call the Supervisor of Elections." Attorney Roberts interjected a case from the State of Wisconsin where the Governor attempted to cancel the election because of COVID-19, the Supreme Court in Wisconsin said he could not do it and the US Supreme Court said that they must go on with the election as scheduled.

Attorney Roberts mentioned the case of Patrice Barkley vs the City of Quincy had been settled in mediation. There was a need for an executive session on the 28<sup>th</sup>, time: 6:00 pm. Discussion occurred regarding the time for the executive session.

There being no further business to discuss, therefore meeting adjournment at 8:28 pm.

**Please Note**: The official copies of the virtual meeting minutes are placed on file with the Office of the City Clerk upon approval by the City Commission.

Submitted by: Dr. Beverly A. Nash, Acting/Temporary Clerk

**APPROVED:**

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Keith A. Dowdell, Mayor and Presiding  
Officer of the City Commission and of the  
City of Quincy, Florida

**ATTEST:**

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Dr. Beverly A. Nash, Acting/Temporary Clerk per  
Clerk of the of Quincy, Florida  
Clerk of the City Commission thereof



**Approval of  
Regular Meeting  
April 28, 2020 Minutes**

**CITY COMMISSION  
CITY HALL, COMMISSION CHAMBER  
QUINCY, FLORIDA 32351**

**VIRTUAL REGULAR MEETING  
April 28, 2020  
6:12 P.M. (Eastern)**

The City of Quincy City Commission met in a virtual regular session via Zoom Video Conferencing, Tuesday, April 28, 2020, with **Mayor Commissioner Dowdell** presiding and the following commissioners present:

Commissioner Daniel McMillan  
Commissioner Ronte Harris  
Commissioner Freida Bass-Prieto  
Commissioner Angela G. Sapp

City Staff and Guest Present:

Jack L. McLean Jr., City Manager  
Gary Roberts, City Attorney  
Chief Glenn Sapp, Police Department and Sergeant-at-Arms  
Dr. Bernard Piawah, Director, Building and Planning Department  
DeCody Fagg, Director, Parks and Recreations Department  
Reggie Bell, Director, Public Works Department  
Chief Curtis Bridges, Fire Department  
Ann Sherman, Director, Human Resources and Customer Services  
Dr. Beverly Nash, Grants  
Vancheria Perkins, Executive Assistant to the City Manager  
Robin Ryals, Director, Utilities Department  
Marcia Carty, Director, Finance Department  
David Rittman, IT, Administrator  
Rob Nixon, Director, CRA  
  
Josh Williams, IT Consultant  
Penny O'Connell, Executive Director, Main Street  
Dr. David Clay and Others, Main Street, Board of Directors

The virtual regular meeting was recorded, televised and transmitted by way of the City of Quincy's Facebook page, TV Channel (WQTN-13) and Zoom Video Conferencing.

**Called to Order:**

Mayor Dowdell called the virtual regular meeting to order at 6:12 pm. Invocation provided by Rev. Robin Ryals. Pledge of Allegiance in unison. Roll call requested by Mayor Dowdell.

**1. Approval of Amended-Amended Agenda**

City Manager McLean provided changes and removal of the following agenda item: Rural Infrastructure Grant Funding; added: Code of Ethics and Quincy Main Street submitted per Commissioner Bass-Prieto.

Approval of Amended-Amended agenda for the April 28, 2020 (Regular Meeting) (with changes/corrections) motioned by Commissioner Harris; seconded by Commissioner Bass-Prieto. **The motion carried 5 to 0.**

## **2. Approval of Minutes of Previous Meetings**

Approval of Minutes of the February 25, 2020 (Regular Meeting) with necessary corrections – motion was made by Commissioner Sapp; seconded by Commissioner Harris. **The motion carried 5 to 0.**

Approval of Minutes of the March 24, 2020 (Regular Meeting) with necessary corrections – Commissioner Bass-Prieto provided the following corrections: March 24, 2020 meeting minutes on (page 1 item 2) motion did not carry 5-0; it should have been 4 to 1. Commissioner Bass-Prieto stated under Summary of Public Comments: No. 5 should be Julie Baroody instead of Mrs. Julie. In addition, Commissioner Bass-Prieto stated that under her comments she extended a special thanks to Ms. Hazel Porter not Ms. Haygood. The motion was made by Commissioner Sapp, seconded by Commissioner Harris. **The motion carried 5 to 0.**

Approval of Minutes of the April 14, 2020 (Regular Meeting) with necessary corrections - The motion was made by Commissioner Harris, seconded by Commissioner/Mayor Dowdell. **The motion carried 5 to 0.**

## **3. Reports, Request and Communications by the City Manager (Summary of Individual Item)**

- a. **Human Resources Monthly Report – Ann Sherman, Director, Human Resources – no issues or concerns.**
- b. **Police Monthly Reports (Monthly Traffic and Monthly Crime Reports) – Chief Glenn Sapp, Police Department – no issues or concerns.**
- c. **Fire Department Reports – Chief Curtis Bridges, Fire Department**
  - Commissioner Bass-Prieto observed on the Fire Report that the total man hours don't add up.
- d. **Finance Monthly Reports (P-Card Statement, Allocations, Arrearage Report, Cash Requirements and Financial Report) – Marcia Carty, Director, Finance Department**

Commissioner Bass-Prieto questioned the Arrearage Report, page 1, Aged Accounts Receivable – account: 6607001 in the amount \$11,548 – account from another municipality that we have a contract with.

The City Manager responded, “. . . that is Gretna. . . They are not in the arrearage based on the agreement itself and the time in which they pay.”

## **Summary of Discussions/Debate**

Commissioner Bass-Prieto questioned, "What is the agreement and what is in the agreement regarding the time in which they pay?" The City Manager, "They will pay based on the understanding that we have had with them . . . at the end of the fiscal year." Commissioner Bass-Prieto, "Is that the agreement that we signed over a decade ago?" The City Manager, "No. . . we have not changed the agreement, the agreement remains the same. What we changed was the period in which pay is different. This is prior to me and in-between me. . . they would pay up at the end of the fiscal year." Commissioner Bass-Prieto, "So, the commission agreed to that?" The City Manager, "I cannot say. . ." Mayor Dowdell interjected, ". . . Gretna was in a financial bind and they were asking for our assistance, we agreed to help them out. . . We agreed that they would pay us quarterly. . . or two times a year." The City Manager, "I think quarterly. . . they have a minimum purchase. . . sometimes they don't even make the minimum, but they are required to pay that minimum anyway. . . and sometimes they are over. . . It worked at best for their accounting to pay at the end of the fiscal year." Commissioner Bass-Prieto requested a copy of the addendum to the contract. The City Manager agreed to give her a copy of the contract. Commissioner Bass-Prieto, "I have a copy of the contract and this is not how it is worded. The contract as far as I can tell, the rate has never been increased and we have never reworked this contract. I believe it is getting ready to expire or has expired? The City Manager, "It has not expired. . . it expires sometime next year." Commissioner Bass-Prieto, "I am looking at \$11,548 which is beyond your preview as the City Manager, because you have a \$10,000 limit. . . I am also looking at 90-days old which if every quarter. . ." City Manager McLean, ". . . This is not covered in my limit. . . My limit has to do with expenditures, . . . not collections. . ." Commissioner Bass-Prieto, "My question to you is . . . when did our contract get altered? City Manager stated, "He did not know. . ." Commissioner Bass-Prieto continued, "If you do not know, then we are operating on a supposed addendum to contract that we do not have?" City Manager McLean further stated, ". . . Commissioner Bass-Prieto, if you want to change something, you can. . . We asked our citizens to carry this. . . they are paying for this water to be cleaned, they are paying for this water to be pumped. . . now you are telling me it is for a whole year . . . that it does not get paid?" The City Manager instructed, ". . . You can schedule it to be agendaed for the next meeting for a vote . . ." The City Manager went on to explain the contract. . . Commissioner Bass-Prieto continued to express her concerns regarding the contract and the arrearage . . . "Where is the contract and changed by whom. . . If we have a contract, then it should not be changed unless it comes before this board. . ." The City Manager explained, ". . . Gretna has not gotten the water that they have contracted for. . . even on the minimum level because we have been having, over the years, our equipment has not been functioning so that they can deliver the amount of water . . . when they need it and on time. . . We have had communication issues with it. . . in terms of linking up with their well and equipment. So, when you look at these numbers, you want to talk about their perspective in terms of our ability to deliver. . ."

Commissioner Sapp agreed, ". . . This would be a good time to bring the manager in from Gretna, look at the contract and get to the bottom of what is going on. . ."

Commissioner Bass-Prieto continued, ". . . I have a few questions about the financial report. . ." She questioned the cash requirement. . . City attorney contractual services, "Is at 50% and we have only be billed for 25%? Do we have any outstanding invoices?" The City Manager responded, "No. . ." "Is there an expectation that we will have a much larger charge for the rest of the year?" The City Manager, "It depends on what litigation comes up. . ."

Commissioner Bass-Prieto questioned, “. . . non-departmental insurance? . . . We are up to 87% . . . we are over-budget; do we know why. . .? Ms. Carty responded, “The cost is going up more than we budgeted; we believe that get an estimate later. . . the cost is going to be more. . . we expect to make a change and the deductibles were not budgeted . . . there were additional costs with the Turn-Key. . . that is impacting that line item” She suggested that she would look into the situation. Commissioner Bass-Prieto observed that most of the Turn-Key had been changed to the departments. She further questioned the law enforcement administration and the negative balance in the utilities, “we are a negative 3% for the year”. Ms. Carty stated that they did get an adjustment back in October/November. She stated that she was still investigating the situation and working with staff.

Commissioner Bass-Prieto questioned, “. . . oil and grease, we increased last year on the amount of the gas usage. . . there have not been any oil changes in those vehicles.” Ms. Carty, “They have not spent any money yet, they still have six more months. . .”

Commissioner Bass-Prieto questioned, “. . . We put money in the budget for a police dog, when does his term expire?” Chief Sapp responded, “. . . We are looking at that issue; we have not selected a new dog yet. . . . My staff and the K-9 Lieutenant are looking at that. . . Due to the changes from the . . . State Attorney and the marijuana law and it enforcement, we are looking at . . . how the K-9 play a role in that . . . If the State Attorney is not going to persecute drug/marijuana cases, then we may not need a K-9 dog this year. . . There has been no absolute decision that has been made. . . You get different skills set from particular breeds of dogs. . . Our need is to combat drugs. . .”

**4. Public Hearing – Opportunity of Speak - The Mayor opened the meeting to the Public Hearing Session. Any and all written (emailed) questions and comments received from citizens are on file with the Office of the City Clerk. The city staff and/or attorney and/or commissioners’ responses and discussions/debates are provided in the minutes of this meeting.**

**Citizen – Carolyn Higdon, 305 W. King Street – Response** – The City Manager responded, “. . . The funds have not been released because the item is on the agenda now. There has been an issues as to the proper accounting of \$39,000 that was previously given to Main Street. That accounting issues is still up. . . there has been several meetings and a lot of data and receipts to look at. . . What happened was. . . no one would be funded if they did not meet the deliverables in the past. . . or previous year. . . The issues are accountability of the \$39,000 to the commission. . . ”

**Citizen – Karen Suber, 104 N. Adams Street – Responses** – Mayor Dowdell stated, “Question had been answered . . . investigation into monies from previously year.” The City Manager further clarified, “Every other non-profit that received monies met the deliverables from the prior year.”

**Citizen – Julie Baroody, 910 Sunset Drive – Responses** – Question 1 – Was previously answered. Question 2 – Mayor Dowdell stated, “Yes, they are. . . All have to account for the monies received by the city from the previous year.” The City Manager stated, “There was one non-profit who did not meet the deliverables and was not being funded. . . Legacy Center for the

Performing Arts. . ." Question 3 – The City Manager stated, "At the beginning of the year, all non-profits were sent a letter. . . because of Ms. Carty's efforts, they were asked to send in their request for funding. Most of them did and so they received the funds. . . if they had met the deliverables." Question 4 – Commissioners Dowdell and Harris expressed. . . "Not the role, but an opinion. . ." Mayor Dowdell further stated, "It is good for city government to work with non-profits. . ." The City Manager stated, "It is the commission policy and choice. . ."

**Citizen** – Paula Phillips, 816 Sunset Drive – **Responses** – Commissioner Sapp stated, ". . . Thanked Ms. Phillips for her comments and she is entitled to her opinion. . ." Mayor Dowdell reminded the citizens, ". . . When they did the other. . . they left out so many people. When you do something like this. . . you are not going to make everyone happy. . . We did the best that we could do . . ."

**5. Other Items Requested to be Agenda by Commission Members, the City Manager or other City Officials**

- a. Code of Ethics – Commissioner Bass-Prieto** – She stated, "She brought it before the commission as an exemplary in order to help. . . I got it from the City of Dunnellon (Adopted by the Dunnellon City Council, October 28, 2013) . . . there is an actual code, resolution and how it goes into effect. . . This is for commissioners, city employees, and everyone who works for the city. . . I hope my other commissioners will look at it. . . hope the city attorney got a chance to look at it. . ."

**Summary of Discussions/Debate**

Commissioner Harris responded, "Can the manager or attorney share with us what we currently have in place?" The City Manager stated, "You currently have in place an ordinance that you adopted. . ." The City Attorney stated, ". . . I looked back to what the City of Quincy has in terms of ordinance. . . I looked at F.S. 1.11, 1.12, etc. . . which deals with conduct of public officials, such as yourselves. . . The city's municipal code 1058. . . where the city adopted most of the provisions shown in Commissioner Bass-Prieto's documents/attachments from the City of Dunnellon. . . most of the issues were addressed in that. . . in 1058.2013 as far as the decorum, conduct, how things should be presented, voting . . . all these issues were addressed in that ordinance." Attorney Roberts reviewed the details of ordinance 1058-2013 (Section 2.60).

Commissioner Harris questioned, ". . . Why is the commission discussing the item tonight? Is there any particular concern that the commissioner has. . .?" Commissioner Bass-Prieto stated, "Yes. . . I think we have a real problem. . . when we look at the commission and city to address. . . so that we can go forward and make things better. . . I think there always room for improvement. . ." Commissioner Sapp commented, ". . . I would like some time to compare it with the ordinance that we have. . . I do not think we need to change what we have. . . as much as we need to adhere to what we have. . . one of the way that we need to adhere is to recognize our own faults and our own conduct and attitude. . . that reflect poorly to our citizens. . . we have to police ourselves . . . regardless of what is in writing. . ." Mayor Dowdell requested from Commissioner Bass-Prieto an example of the differences between the presented information and the current written ordinance. Commissioner Bass-Prieto responded by referring commissioners back to the

document (i.e., non-binding statement with signature). Commissioner Harris addressed the requirement for commissioners to take a 4-hour course in ethics every year and described, in his opinion, the culture of the commission. Commissioner Bass-Prieto countered with her opinion of the culture of the commission and the role of the city manager, also referring to the ordinance regarding the Mayor’s responsibilities/role to deal with decorum and conduct/behavior. Mayor Dowdell also made comments about the responsibilities and effectiveness of commissioners, along with Commissioners Harris and Sapp.

- b. Quincy Main Street – Commissioner Bass-Prieto** – motioned to fund Main Street for the \$35,000 originally budgeted. Seconded by Commissioner McMillan.

**Summary of Discussions/Debate**

Mayor Dowdell commented that Main Street is being investigated by the commission for the monies received in the previous year. He stated that all the monies have not been accounted for. Commissioner Harris also addressed the accountability issues related to Main Street, along with expressed concerns about items in the budget (i.e., operational costs associated with administration (\$15,000), professional analysis of the Kelly Lot and enhancements (\$1,500), monies for a consultant to study the façade of vacant buildings (\$5,000), etc.), stating, “these sound like CRA work to me. . .” Commissioner Bass-Prieto suggested, “. . . If we had not spent so much time going over the past budget, just maybe they would have some time. . . They have been waiting on us for eight months. . .” Commissioner McMillan stated, “Main Street is very important to our city. . . administrative cost is a part of Main Street. . . We saved money. . . I have never seen receipts from a non-profit. . . They have done the best that they can do in the circumstances that they were given. . . an administrator lost his home. . . had to go thru two temporary administrators and . . . finally landing on Ms. O’Connell (Executive Director) . . . She is doing great things. . . to move the downtown and City of Quincy in a positive direction. Administration costs would be much more if we had it within the City of Quincy. . .”

Commissioner Harris per Mayor Dowdell requested a roll call:

<b>Commissioner</b>	<b>Vote</b>
Commissioner McMillan	Yes
Commissioner Harris	No
Commissioner Sapp	yes
Commissioner Bass-Prieto	Yes
Mayor Dowdell	No

**The motion carried 3 to 2.**

**6. Comments by Commissioners and Staff**

**a. City Manager**

- **COVID-19 Report (Update)** – The City has been advocating for baseline testing for the coronavirus for a number of reasons (i.e., normalcy and phased-in

approach to reopening government and businesses). The City will have testing – asymptomatic testing; will be free to all citizens of Gadsden County. Per the City Manager, “We have about 1500 test kits; can get testing up to 31%. The baseline, according to Dr. Cocksey, is about 4800. Positive rate has been 18%. Commendations to staff and Dr. Cocksey, in her working with staff and city managers. The mask give-away program, an initiative by the Mayor, has been leading the way in providing masks to the whole community; have given away about 700 masks to date. Staff is looking at doing something at Tanyard Creek (1,500 masks). Thank you to Classic T-Shirts for their contribution to the mask program. Also, Winn Dixie, Walmart and Dollar General for their assistance. The City will make a \$1,500 donation to the County’s Health Council for localized messaging for COVID-19. The City is developing plans for phased-in reopening in accordance with the Governor’s order. Staff will be having a meeting with businesses on next week. The Mayor is going around thanking essential workers. The next event is the Capital Regional Hospital site. The hospital will be the site where asymptomatic testing will be conducted.”

- The City Manager addressed the video bomb/interruption that occurred during the meeting. He stated, “moving forward, will be much more careful and provide more of a restricted environment with the access number and persons Zooming-into the meetings.

**b. City Clerk** – no comments.

**c. City Attorney** – Attorney Roberts announced that there is a need to have an Executive Session the first meeting in May to deal with Patricia Barkley vs. City of Quincy.

**d. Commissioners**

**i. Commissioner McMillan (Concerns/Issues)**

- Testing site – will we be going to the hospital or will it be a drive-thru site? The City Manager replied, “Yes is will be set-up as a drive-thru site. Question regarding if our Fire and Police will be tested. The City Manager responded, “1<sup>st</sup> Responders will get tested anyway.”
- Regarding face masks, he wants some to deliver to his constituents.
- He sent the City Manager an email from a citizen with complaints and issues with the Police Department. Commissioner Sapp stated that the young lady was in her district and she has met with the citizen and is trying to resolve the issue.
- Regarding Police and Fire Board (Commissioner McMillan serves on the Board representing the Commission) has a significant amount of monies that they are deficient in regards to the actuaries. He asked the City Manager, if he had a plan? The City Manager responded, “Yes. .” The City owes the pension plan \$300,000; \$100,000 of which is from State funds that we have not received regarding some type of compliance issue. There is a shortfall that has to made up this year and we must take into consideration the other shortfalls, i.e., coronavirus, sales taxes, gasoline, and other revenue streams that might not be available. . . Commissioner McMillan requested an update at the next meeting.



Attorney Roberts stated, "There is a case. . . that spoke to the Police and Firefighters pension. . . The Department of Management Services sent over a proposal and there was a scheduled trial in April, however, the Department of Management Services indicated that there is an opt out provision that is involved in the 175 and 185 plans and once we address that issue in front of the commission . . . they will release all of the funds."

- Budgetary Issue – Actuaries’ assumptions came back different from what we were expecting. . .

**ii. Commissioner Harris (Concerns/Issues) - none**

**iii. Commissioner Bass-Prieto (Concerns/Issues)**

- Do we have times and dates for the testing site? City Manager McLean replied, "Not yet, but the timeframe will be the week of May 4 (3 days per week, 4 hours per day). She asked, "Is there certain limit on the number of test?" The City Manager replied, "1500."
- Ms. Martha Sapp and the ditch in the front of her yard? Her yard was not draining and has it been fixed? The City Manager responded, ". . . Have talked with Public Works. . . have made the changes that we could made. . . will continue to address the issue."
- Attorney Roberts – requested a copy of James Palmer vs the City of Quincy.
- City Manager McLean’s contract anniversary date is coming up. She has not seemed an evaluation. Do we do an evaluation on the City Manager and how does that happen? She requested input from the attorney and/or mayor.
- Thanks to Shaw Quarters for continuing to feed the children. She did a shout out to multiple individuals and entities for assisting during COVID-19 and to the essential employees for keeping us going. . .
- She expressed her disappointment that the City of Dunnellon documents were not passed.

**iv. Commissioner Sapp (Concerns/Issues)**

- Thanks to Maranatha Seventh-Day Adventist Church for the food donation. Also, Second Harvest of the Big Bend and others for continuing with the lunch feeding program for the school children.
- She supported testing for the Police and Fire Departments.
- Thank you to the Robinsons, entrepreneurs, for building homes in Districts 1-3.
- The audio is going in and out on WQTN-TV.

**v. Commissioner/Mayor Dowdell (Concerns/Issues)**

- New City Clerk. Ms. Hicks is scheduled to retire, June 2<sup>nd</sup>. Commissioner Harris requested the City Clerk position be agendaed for the next Commission Meeting.

## **Summary of Discussions/Debate**

Commissioner Sapp also requested that the position be placed under the City Manager’s office not under the City Commission. Commissioner Bass-Prieto asked, "Is the city clerk position designated in our charter?" The City Manager stated, "It is in the charter. . . it is an appointed position that the commission appoints. . ." Mayor Dowdell related, "When he first

came to the commission, it was under the city manager and at some point the decision was made to move it to the commission. . . it has been both ways. . . I guess it is a commission's decision." Attorney Roberts stated, ". . . the city clerk is under 2.08."

There being no further business to discuss, therefore the motion to adjourn by Commissioner McMillan, seconded by Commissioner Sapp at 8:20 pm.

**Please Note:** Official copies of the meeting minutes are placed on file with the Office of the City Clerk upon approval by the City Commission.

Submitted by: Dr. Beverly A. Nash, Acting /Temporary Clerk

**APPROVED:**

\_\_\_\_\_  
Keith A. Dowdell, Mayor and Presiding  
Officer of the City Commission and of the  
City of Quincy, Florida

**ATTEST:**

\_\_\_\_\_  
Dr. Beverly A. Nash, Acting Clerk/Temporary per  
Clerk of the of Quincy, Florida  
Clerk of the City Commission thereof

**Approval of  
Special Meeting  
May 1, 2020 Minutes**

**CITY COMMISSION  
CITY HALL, COMMISSION CHAMBER  
QUINCY, FLORIDA 32351**

**VIRTUAL SPECIAL MEETING  
MAY 01, 2020  
12:09 P.M. (Eastern)**

The City of Quincy City Commission met in a virtual special session, Friday, May 1, 2020, with **Mayor Commissioner Dowdell** presiding and the following commissioners present:

Commissioner Daniel McMillan  
Commissioner Ronte Harris  
Commissioner Freida Bass-Prieto  
Commissioner Angela G. Sapp

City Staff:

Jack L. McLean Jr., City Manager  
Gary Roberts, City Attorney  
Chief Glenn Sapp, Police Department and Sergeant-At-Arms  
Reginald Bell, Director, Public Works Department  
Dr. Beverly Nash, Grants  
Vancheria Perkins, Executive Assistant to the City Manager  
David Rittman, Administrator, Information Technology  
Ann Sherman, Director, Human Resources and Customer Services  
Chief Curtis Bridges, Fire Department  
DeCody Fagg, Director, Parks and Recreations Department  
Robin Ryals, Director, Utilities Department

The virtual special meeting was recorded, televised and transmitted by way of the City's Facebook page, TV Channel (WQTN-13) and Zoom Video Conferencing.

**Called to Order:**

Mayor Dowdell called the virtual special meeting to order with the roll call.

**Summary of Virtual Special Meeting Discussion Items**

1. **Baroody vs. City of Quincy: Authorization to Select Counsel**

Attorney Roberts requested, "Authorization in conjunction with the City Manager to select an attorney to defend the injunction filed against the City and three commissioners and give him the authority to select a firm to begin that process or an attorney to defend the city."

Commissioner Harris questioned, "Our goal is to today is provide you authority to select an attorney and solely that and we walk thru this lawsuit at a later day?" Response by Attorney Robert, "Yes, I would like the authority to select an attorney".

Commissioner Sapp motioned to authorize the attorney to select counsel to represent the city's position in this injunction. Seconded by Commissioner Harris. The motion carried 5 to 0.

## **2. City Clerk – Job Status, Pay and Annual and Sick Leave**

The City Manager stated, “. . . This was an item asked to be placed on the agenda and relates to the appointment of a temporary clerk. The clerk will end her time per a letter on June 2.” He shifted the discussion to Ms. Ann Sherman, Director, Human Resources. He further stated that she would be using her time for annual and sick leave. . . “based on documentation, the leave has been used. The decision is if a temporary clerk will be allowed. . . do you want to appoint a temporary clerk, continue on the payroll and then have a temporary clerk take over duties for the next 30 or 29 days?”

Ms. Sherman stated, “. . . In their packet, . . . you have the official retirement date, June 2 and also reflect her rate of pay; . . . and it gives you a summary of what she has left in terms of annual leave. All of the sick time has been exhausted, so on June 2 when the clerk leaves, there will be no additional payout to her.

### **Summary of Discussions/Debate**

Mayor Dowdell questioned, “She would have used all of her annual and sick leave?” Response from Ms. Sherman, “Yes, sick leave has already been exhausted, there is not sick leave, if you look at the print out before you. . . She has 247.58 hours of annual leave and because she is using sick leave, she is not accruing any additional leave time moving forward.”

Commissioner Sapp questioned, “. . . Ms. Hick will be using annual leave time?” Response from Ms. Sherman, “Yes.” Ms. Sherman further stated, “. . . If you take a look at the time sheets, they also indicate that there is some work that the clerk is doing. . . ”

Commissioner Sapp commented, “. . . Here lays the problem with the position not being supervised by anybody, in particular. We do not know what the clerk is doing. Going forth, we definitely need to change that. . . so that someone is able to tell us what she is doing. . . ”

Mayor Dowdell questioned, “. . . on the regular hours like in April, is she saying that in April she worked 5 hours?” Response by Ms. Sherman, “Yes . . .” “These hours that she worked, is she saying that she was at city hall?” Response by Ms. Sherman, “that I cannot answer, because her timesheets go directly into Finance. . . and do not come thru HR, so I cannot speak to that. . . ” “Is there any way possible to get her to explain to us these regular hours. . . that she is supposed to be working. . . regarding her regular hours, she needs to sign-in somewhere. . . HR. . . ”

Commissioner Harris stated, “. . . I hear where you are going with the accountability piece, but I think. . . a better course of action today is to release her of her responsibilities at this point; go ahead and appoint an interim or temporary clerk to perform any duties that she would be doing and . . . allow her to use her annual leave time. . . This is a clearer course of

action. . . rather than change what she has been doing for how many number of years. . . for the next 30 days." Mayor Dowdell asked Ms. Sherman, "If this could be done. . . ." She responded, "Yes, . . . just keep in mind, if you are going to bring a temporary clerk on, you will be paying for that temporary clerk, in addition to the current clerk's salary. . . in other words, you will be paying for two salaries thru June 2."

The City Manager suggested, "The temporary person be someone who is currently on staff and you have a provision in your rules and regulations such that the person would get a certain percentage above what they normally get for the job; that would not be the full pay for the clerk's pay. . . or full-time position. It would be performing additional duties on behalf of the commission . . . I believe it will work out to be 5% of the person's salary not the clerk's salary. The money is manageable and only a couple thousand dollars and you are talking about 30 days. . . It is not an issue budgetarily. . . if you choose someone from staff. . ."

Commissioner Bass-Prieto stated, "if we use staff personnel, would that eliminate the ability of commissioners to call them directly?" The City Manager responded, "No." "How is that any different with all other staff?" City Manager McLean stated, "This person's percentage time that they are working will be in the formal clerk position. Yes, you can call that person directly."

Commissioner Bass-Prieto stated, "I do not want to see the clerk come under Mr. McLean. . . We supervise Mr. McLean, we supervise the Attorney and I do not see any difference with the clerk. We can ask whatever we need from them or ask whoever to help us supervise them. But I think that position needs to stay under the city commission and they need to work for us and not for the city as a whole and not for Mr. McLean. That is our responsibility to supervise the three individuals who fall under our preview. . . this part-time clerk, would they have training or go in blind or do we want Ms. Hicks to come in and work with them?"

Mayor Dowdell commented, "It depends on who we select to be the clerk whether or not they need the assistance of Ms. Hicks." Commissioner Bass-Prieto asked, "Are we going to put out a notice for a clerk? There have been some suggestions for a clerk and personally, I think we need to advertise it; look thru the applications and hire a clerk. . . that is the best way to go. . . we need to get away from appointing friends and people who work for other people . . . we need jobs in Quincy and everyone should have an equal opportunity to apply. . ."

Commissioner Sapp asked the City Manager, "Who is performing Ms. Hicks duties now while she is not in her office or seat?" The City Manager responded, "Dr. Nash." "For instant, who is doing building permits and those type of things. . .?" City Manager responded, "Those things now . . . are being done by Ms. Joanne Kimble." "Did Ms. Hicks come in and train Ms. Kimble as to what to do or Dr. Nash?" City Manager responded, "No." "So there would not be a need to train a temporary clerk for someone who is already familiar with the procedures always employed by the city. . .? Response, "that is correct."

Commissioner Harris motioned in regards to "the current city clerk and her clerking duties, effective immediately, will be released and authorized to finish out her next 30 days, ending

June 2 using her annual leave time and her duties will be appointed to other current city staff." Seconded by Commissioner Sapp.

Question by Commissioner Bass-Prieto, "It is my understanding that the position of city clerk is in the city charter, do we not have to appoint an individual?"

**The motion carried 3 to 2.**

### 3. Appointment of Canvassing Inspectors

The City Manager stated ". . . We need to appoint canvassing inspectors for upcoming election and recommend that the canvassing inspectors be: Commissioner Sapp and the Attorney (G. Roberts)."

#### **Summary of Discussions/Debate**

Commissioner McMillan commented, ". . . In his history of being at the City of Quincy, . . . I do not know what it was like before I got there; however, it has always been two commissioners who do the canvassing process and the attorney was always there for any questions. But there were always two commissioners. . . and I would feel most comfortable with, if we continue to handle it in that form."

Commissioner Harris motioned that Commissioner Sapp and Commissioner Bass-Prieto serve as the canvassing inspectors. Seconded by Commissioner McMillan.

Commissioner Bass-Prieto objected by stating, "I am not sure if I will be able to do that or not." Commissioner Harris withdrew the motion.

The City Manager stated, "He had initially asked and recommended Commissioner Bass-Prieto, but she gave the same response today as she gave to me. The second reason for choosing someone else is that other members of this board have or will be involved in some campaigning based on some information that I have heard. . . The Supervisor of Elections told me that should make sure that people were not involved directly in any campaigns. Commissioner McMillan name is still on the ballot, the Mayor is on the ballot, so we did not have very many choices left. . ."

Commissioner Bass-Prieto was concerned, ". . . the couple of times that I have been there, it is a very small room and not being able to get the appropriate spacing. . . and the number of people that is usually in the room. . ." City Manager McLean responded, "She (Supervisor of Elections) conducted her election in the normal fashion. . . and I am not sure how the room was spaced out and who will be in the room. . ."

Commissioner Harris reminded Commissioner Bass-Prieto, "The City of Quincy will be the only city conducting an election and thus the room will not be as crowded. . ."

Commissioner Harris motioned and seconded by Commissioner Sapp to appoint Commissioner Sapp and Attorney Roberts as canvassing inspectors.

**The motion carried 3 to 2.**

4. **Appointment of Temporary City Clerk**

Commissioner Harris motioned that we appoint the individuals who are currently doing the clerk duties to continue in that capacity. The City Manager clarified who at the City were currently doing the clerk duties and stated that “you will have to appoint an individual and yes, there will be others who will help out if the clerk sees fit to use others in terms of carrying out the duties. . . that has been the case before. . . the other thing that will have to be done is the graveyard and cemetery activities; management of email flow and I think you need to appoint an individual and we will assist and help. . .”

Commissioner Harris motioned that Dr. Beverly Nash be appointed the temporary city clerk. Seconded by Commissioner Sapp. **The motion carried by 5 to 0.**

**Summary of Discussions/Debate**

Commissioner Sapp asked, “When will we get the keys from the clerk and emails access, etc.” The City Manager responded, “That will now be done by HR. . .” Ms. Sherman stated, “She would contact the clerk and see if she could be in on Monday to turn in her keys and all city properties. . .”

Commissioner Bass-Prieto asked, “If a notice would be put out for the clerk?” Mayor Dowdell responded, “. . . that is something that will need to be discussed at a regular meeting.” Commissioner Bass-Prieto asked, “Why.” The response was, “This is a special meeting. . .”

There being no further business to discuss, therefore meeting adjournment: at 12:37 pm.

**Please Note:** Official copies of the virtual meeting minutes are placed on file with the Office of the City Clerk upon approval by the City Commission.

Submitted by: Dr. Beverly A. Nash, Acting/Temporary Clerk

**APPROVED:**

\_\_\_\_\_  
Keith A. Dowdell, Mayor and Presiding  
Officer of the City Commission and of the  
City of Quincy, Florida

**ATTEST:**

\_\_\_\_\_  
Dr. Beverly A. Nash, Acting/Temporary Clerk per  
Clerk of the of Quincy, Florida  
Clerk of the City Commission thereof



# **City of Quincy**

## **2018-2019 Audit**

**CITY OF QUINCY, FLORIDA**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**CITY OF QUINCY, FLORIDA  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019  
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**CITY OF QUINCY, FLORIDA**

**INTRODUCTORY SECTION**

**SEPTEMBER 30, 2019**



April 29, 2020

To the Honorable Board of  
City Commissioners and to the  
Citizens of the City of Quincy  
Quincy, Florida

The Annual Financial Report (AFR) of the City of Quincy (the "City") for the fiscal year ended September 30, 2019, is respectfully submitted. State law requires that a complete set of financial statements be published within nine months of fiscal year end and presented in conformance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities and audited in accordance with generally accepted auditing standards by licensed independent certified public accountants.

This report was prepared by the Finance Department of the City of Quincy (as part of the Finance Director's legally prescribed duties as the Chief Financial Officer of the City) of which the City Manager and his staff are responsible for the contents of this AFR. We believe the financial information presented is accurate in all material respects, and is set forth in a manner designed to present fairly the financial position and results of operations of the City as measured by the financial activity of its various funds. The report contains all of the disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs.

The City established a comprehensive internal control framework, to provide reasonable but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition and ensure that the financial records for preparing financial statements and maintaining accountability for assets are reliable. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires judgments and estimates by management. All internal control evaluations occur within the above framework. We think that the City's internal controls adequately safeguard assets and provide reasonable assurance of properly recorded financial transactions.

In compliance with the laws of the State of Florida, the City's independent auditors, Moran & Smith LLP, have audited the financial statements. This firm is a certified public accounting firm, licensed by the State of Florida. In addition to meeting the requirements set forth in State Statutes, the audit was also designed to meet the requirements of the Federal and State Single Audit Act and the related U.S. Office of Management and Budget's Circular A-133. Auditing standards generally accepted in the United States of America and the standards set forth in the Government Accountability Office's *Government Auditing Standards* were used by the auditors in conducting the engagement.

The audit was performed to provide reasonable assurance that the financial statements are free of material misstatement for the fiscal year ended September 30, 2019. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion and that the City's financial statements for the fiscal year ended September 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The Annual Financial Report contains two major sections: The Introductory and Financial Sections. The Introductory Section, which is unaudited, is designed to give the reader some basic background about the governmental unit as a whole. This letter of transmittal will present a brief overview of the City's structure and services and a discussion of the City's financial condition.

The financial section includes the Management's Discussion and Analysis (MD&A), basic notes to the financial statements, combining statements and supplemental information as well as the Independent Auditors' Report on the financial statements and schedules. GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Quincy's MD&A can be found in the financial section following the Independent Auditors' Report.

### **City Services and Reporting Entity**

Quincy is a small "all American City," with an estimated population of 8,687 located in Florida's Panhandle, 20 miles west of the State Capital of Tallahassee. It was incorporated in 1825, twenty years before Florida was admitted to the Union and is the county seat for the largely rural Gadsden County.

The City provides a full range of municipal services. These services include public safety (police and fire), construction and maintenance of streets and sidewalks, stormwater management, recreation, planning and zoning, general administrative services, and five utilities (electric, gas, water, sewer, and solid waste collection). The City's utility system consists of electric, water, sewer, and gas. The system has 11,120 residents and 4,835 customers within the City's electric territory.

The Commission is required to adopt a final budget no later than the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is approved at the fund and department level. Transfers between funds and/or departments require approval by the Commission.

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## **Financial Condition of the City**

The information presented in the financial statements is best understood when considered from the broader perspective of the environment that the City operates. Financial condition reflects the City's existing and future resources and claims on those resources. Information useful in assessing financial condition include a review of the major initiatives along with the prospects for the future, a summary of the economic conditions, current and planned City capital projects and acquisitions, cash management and investment practices and risk management policies.

## **Major Accomplishments**

The City's economic development activities resulted in securing the #1 producer of medicinal marijuana in the State, Trulieve, which is the first and leading medical cannabis company in the state of Florida, the third most populous state in the United States. Its vertically-integrated "seed-to-sale" operation has approximately 50% of the Florida market. Trulieve's expansion plans includes growth in the City of Quincy within the next two years. They have become Quincy's largest utility customer in the current fiscal year. BASF is the 2<sup>nd</sup> largest customer, and is expected to maintain its consumption.

The electric utility distribution system, both primary and secondary lines, have been hardened, increasing resiliency, in an amount greater than \$1.6 million. Resilience *measures the performance of a system under threat or stress*, like the power grid performance under severe weather conditions or a cyberattack. This investment by the City increases the power system's ability of the power grid to withstand and recover from hurricanes, tornadoes, other sever weather events and malicious and inadvertent cyber and physical attacks. Additionally, a five-year plan has been developed to place the bulk of our electricity system underground, increasing resilience even further, improved vegetation management program, restoration of the SCDA and outage management.

The Florida Department of Environmental Protection awarded the City an 80% grant of \$3.9 million dollars to design and install a solar energy system to offset costs related to sewer treatment facilities. This project has started, and completion is planned for the end of Summer 2020.

In FY 2019, Hurricane Michael damages exceeded \$10 million dollars. The hurricane aftermath left 11,120 residents and 4,835 customer-accounts with electricity being affected adversely. Significant damage was done to the electric grid and the fiber systems supporting the electrical system, with many poles being destroyed. Some funds to pay for the repairs and restoration of the City's systems were secured by borrowing from our banking partner, \$3 million dollars. To augment resources needed, the City passed an ordinance in January 2019 to assist with the recover the cost of Hurricane Michael damages and assist with the upgrading of the utility system, which should approximate \$900,000 annually. The City also has sent to FEMA reimbursement requests for Hurricane Michael damage.

The City has invested in rate stabilization and other savings, increasing our cash reserve by almost 200%.

## **Prospects for the Future**

The improved and infrastructure for the utility system will position the City to serve its citizens more responsibly and be able to withstand the weather conditions, reducing outages, and repair and maintenance cost of the system. The completion of the Smart-Grid construction of eight hundred thousand dollars (\$800,000) will further enhance the improvement of the infrastructure of our utility system.



The City is currently renegotiating to purchase a Bulk Tower, which will have the effect of lowering our purchase of power over the next 2 years by a significant percentage. In the near future, a plan will be pursued to refund or refinance the City's Utility Revenue Bonds, Series 2003, the City's Utility Revenue Bonds, Series 2011, and the City's 3.07% FDEP loan, with a combined estimated total debt service savings of almost two (2) million dollars.

The City has budgeted more than \$100,000 in several initiatives in order to increase our customer base, such as Fresh Start, attracting new residents to purchase homes.

FEMA Reimbursements is expected to generate payments to the City of Quincy, over the next eighteen (18) months more than \$4 million, with \$400,000 budgeted and expected to be received for FY 2020.

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Florida Department of Environmental Protection Sand and Grit Removal Grant, State of Florida Department of Economic Opportunity CDBG, Florida Department of Transportation and other grants are expected to be completed in the first six months of FY2020, for an estimated amount of \$1,500,000.

There are also other grants, including Florida Division of Emergency Management Hurricane Michael State Recovery Grant of \$1,000,000 which will be completed in FY2020.

### **Economic Conditions and Outlook**

Grant writing and management has been implemented as a strategy to increase revenue streams, met the needs of the citizens, and improve our viability. General Fund will continue to make moderate improvements in cost sharing, personnel, and management of the City's resources. Grants are being pursued which increases collaboration between the County, nearby cities, and the State of Florida, thus producing new partners, plans, and designs to grow the City of Quincy residences, businesses, and activities. With the Capital Improvement Plan for five-years, there will be increased construction or repair of City's buildings and facilities such as streets, roads, storm drains, traffic signals, parks, and community centers.

The Enterprise fund is primarily supported by the Electric Utility. The outlook is that the electric system is growing and continue to be able to maintain adequate FCC and liquidity. The FPL and SEPA rates are in the midst of negotiation, and will lend even more profitability to the system.

### **Next Year's Budget and Economic Factors**

The City's anticipate strong revenue growth in the electric enterprise fund under normal climatic weather conditions, with gas, water, sewer, and refuse revenues to have moderate growth. Additionally, grant revenues are expected to increase at least \$2 to \$3 million annually, as a result of a grants writer on board full-time. Trufieve, due to its expansion plan and current consumption level, are expected to at least 140% of the previous fiscal year revenues. However, the COVID-19 Pandemic Crisis impact on City economic outlook is yet to be complete assess, because the crisis is on-going.

The City will continue to budget \$100,000 annually to be placed in the City's rate stabilization funds, FEMA and State Disaster funds, after liquidating related expenses, will also be placed in a Utility storm reserve. The recovery funds are expected to approximate \$4 million over the next two years.

The City's five-year capital budget includes the purchase of a new building for the Public Works department and field house for Parks and Recreation. There are other projects, such as Joy Land, which will increase the number of utility customers, and swimming pool replacements, which will be completed. The Solar Array project, when completed, will allow the City to generate power in over one hundred years; and to generate excess power for sale on the City's electrical grid.

### **Risk Management**

Risk management is the process of managing the City of Quincy's activities in order to minimize the total long-term cost to the City for all accidental losses and their consequences. The main elements of the Risk Management Program are risk identification, risk control (loss reduction) and risk financing (restoration of the economic damages of losses incurred). Pursuant to Commission action, the Risk Management function was created to review and identify areas of risk, loss and insurance coverage for each participant. This function is also charged with the establishment and implementation of a safety plan, which incorporates loss prevention and safety standards. In addition, the function establishes standard insurance and indemnification provisions for contracts, leases, and other special use agreements entered into by the participating governmental units.

The City of Quincy purchased commercial coverage for automobile liability, general liability, property, aviation and pollution liability.

Presently, the City's Risk Management Program calls for self-insuring many types of risk, subject to the following limitations:

Type of Risk	Amount of Risk Retained by City	Limit of Excess Insurance Coverage
Workers Compensation	\$ 0	Statutory
General Liability	\$10,000	\$1,000,000/\$2,000,000
Automobile Liability	\$10,000	\$300,000
Property Actual Loss	\$ 5,000	\$17,118,096
Named Wind Storm	2% value with minimum \$25,000	\$17,118,096

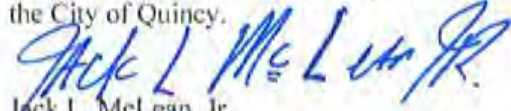
The limits stated above are on a per occurrence basis.

### **Cash Management**

In May 2003, the City of Quincy's Commissioners revised the City's Investment Policy based on recommendations by the Finance Director. With respect to the City Commissioners, the Finance Director serves as custodian of City funds and disburses funds on their behalf as required by law and applicable management directives. The City utilizes the services of an investment advisor to assist the City with the investment of its unrestricted investments. With the current interest rate environment and the recent increases in the fed funds rate, the City is keeping a short duration portfolio.

**Acknowledgments**

An Annual Financial Report of this nature could not have been prepared without the efficient and dedicated service of all staff members involved. We would like to express appreciation to the staff of the Finance Department for their efforts in producing this report. Finally, thanks to the City Commissioners for the interest, patience and support in planning and conducting the fiscal operations of the City of Quincy.



Jack L. McLean, Jr.  
City Manager

**CITY OF QUINCY, FLORIDA  
LIST OF PRINCIPAL OFFICIALS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Keith Dowdell  
Mayor

Ronte Harris  
Mayor Pro-Tem

Angela Sapp  
Commissioner

Freida Bass-Prieto  
Commissioner

Daniel McMillan  
Commissioner

**CITY OF QUINCY, FLORIDA**

**FINANCIAL SECTION**

**SEPTEMBER 30, 2019**

## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor, City Commissioners, and City Manager  
City of Quincy, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the City of Quincy, Florida, (the "City") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### 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 remaining aggregate fund information of the City as of September 30, 2019, and the respective changes in financial position, where applicable, and the respective budgetary comparison and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**INDEPENDENT AUDITORS' REPORT**  
*(Concluded)*

**Other Matters**

*Required Supplementary Information*

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

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements 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 financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2020, on our consideration of the City'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 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* in considering the City's internal control over financial reporting and compliance.

*Moran & Smith LLP*

Moran & Smith LLP  
April 29, 2020

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

This discussion and analysis of the City of Quincy's (the "City") financial statements is designed to introduce the basic financial statements and provide an analytical overview of the City's financial activities for the fiscal year ended September 30, 2019. The basic financial statements are comprised of the government-wide financial statements, fund financial statements, and footnotes. As management of the City of Quincy, Florida, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2019. Please read it in conjunction with the accompanying basic financial statements beginning on page 13.

**FINANCIAL HIGHLIGHTS**

- The City's net position at September 30, 2019, was \$5,799,640 as compared to \$3,680,151 for fiscal year 2018 as restated for GASB 75 compliance. The City's unrestricted net assets as of September 30, 2019, were negative \$4,885,664 compared to negative \$7,030,083 for fiscal year ended September 30, 2018.
- Governmental activities net position was a negative \$9,811,963 as of September 30, 2018, versus negative \$10,120,935 as of September 30, 2019.
- The total revenues from all sources were \$27,622,707 for the fiscal year 2019 versus \$25,137,140 for the fiscal year 2018. Enterprise fund revenue increased \$2,387,712, while governmental fund revenue increased \$97,855.
- The total cost of all City programs was \$25,503,219 for the fiscal year 2019 versus \$22,919,469 for the fiscal year 2018. Overall, there were increases in expenses in the Governmental Funds of \$410,213 and an increase in the Enterprise Funds of \$2,173,538.
- During fiscal year 2019, the City's governmental and business activity total expenses exceeded revenues (change in net assets) by \$2,119,488 while the expenses exceeded revenue by \$2,217,673 for 2018.
- Total expenditures in the Governmental Funds of \$8,934,813 exceeded total revenues of \$4,453,648 by \$4,481,165, excluding net transfers of \$4,723,108 for fiscal year 2019, while total expenditures for fiscal year 2018 of \$8,524,600 exceeded total revenues of \$4,355,739 by \$4,168,861, excluding net transfers in the amount of \$4,168,807.
- The General Fund's fund balance was \$1,023,371 for fiscal year 2018, and increased to \$1,194,792 at the end of fiscal year 2019.
- The City's total long-term debt is \$20,870,906 as of September 30, 2019 representing an increase of \$1,527,441 from \$19,343,465 as of September 30, 2018.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. There are three components of the financial statements: (1) Government-wide financial statements which include the Statement of Net Assets and the Statement of Activities, which provide information about the activities of the City as a whole, (2) Fund financial statements, which tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements, providing information about the City's most significant funds. (3) Notes to the financial statements.



**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**REPORTING THE CITY AS A WHOLE**

**Statement of Net Assets and the Statement of Activities (Government-wide)**

A frequently asked question regarding the City's financial health is whether the current year's activities contributed positively to its overall financial well-being. The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question.

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the City's net position and changes therein. Net position, the difference between assets and liabilities, are one way to measure the City's financial health, or financial position. Over time, increases or decreases in net position are an indicator of whether the financial health is improving or deteriorating.

The Statement of Net Position and the Statement of Activities present information about the following:

Governmental activities - All of the City's basic services are considered to be governmental activities, including general government, community development, public safety, public services, and recreation. Property taxes, sales taxes, utility taxes, and franchise fees finance most of these activities

Proprietary or Business type activities - The City charges a fee to customers to cover all of the costs of the services provided.

**REPORTING THE CITY'S MOST SIGNIFICANT FUNDS**

**Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds - not the City as a whole. Some funds are required by State law. However, management establishes other funds, which aid in the management of money for particular purposes or meet legal responsibilities associated with the usage of certain taxes, grants, and other money. The City's three types of funds; *governmental*, *proprietary*, and *fiduciary* use different accounting approaches as explained below.

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**Governmental funds** – Most of the City's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out, as well as the balances remaining at year end that are available for spending. These funds are reported using an accounting method called the *modified accrual* accounting method, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the City's general government operations and the basic services it provides. Governmental fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The basic governmental fund financial statements can be found on pages 15 through 18 of this report.

**Proprietary funds** - The City has two kinds of proprietary funds. *Enterprise funds* are used to report the same functions presented in the business-type activities in the government-wide financial statements. The City maintains the following enterprise funds: sewer, electric, water, gas, refuse, and landfill. They charge customers for the services they provide.

**Internal service funds** are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains one internal service fund to account for information technology services provided both to the general government and to the enterprise funds. The amount of the allocation is based on an equal distribution of cost across all departments. All of these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. The basic proprietary fund financial statements can be found on pages 19 to 23 of this report.

**Fiduciary funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 24 and 25 of this report.

These funds are presented on a governmental fund financial statement and a proprietary fund financial statement format. The City's major funds are presented in separate columns on the fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB 34. The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements. Table I on page 6 summarizes the major features of the basic financial statements.

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**Notes to the Financial Statements**

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. Refer to Note 1 of the financial statements for more detailed information on the elements of the financial statements.

**Table I: Major Features of the Basic Financial Statements**

	<b>Government-wide Fund Financial Statements</b>	<b>Fund Financial Statements</b>		
		<i>Governmental Funds</i>	<i>Proprietary Funds</i>	<i>Fiduciary Funds</i>
<b>Scope</b>	Entire City government (except fiduciary funds)	Activities of the City that are not proprietary or fiduciary	Activities of the City that are operated similar to private businesses	Instances in which the City is the trustee or agent for someone else's resources
<b>Required financial Statements</b>	Statement of Net Assets, Statement of Activities	Balance Sheet, Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Assets, Statement of Revenues, Expenses, and Changes in Net Assets, Statement of Cash Flows	Statement of Fiduciary Net Assets
<b>Accounting basis and measurement focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
<b>Type of inflow/outflow information</b>	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year Expenditures when goods or services have been received and payment is due during the year	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, total net assets exceeded liabilities by \$5,799,640 at the close of fiscal year 2019 as compared to \$3,680,151 in fiscal Year 2018. For fiscal year 2018, Governmental Activities comprised of negative \$6,255,190, of the net assets while Business Activities comprised \$12,054,829 of net assets versus fiscal year 2018 where Governmental activities was negative \$6,497,134 and Business-type activities was \$10,177,285.

Table 2  
Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Assets</b>						
Current & Other	\$ 2,259,753	\$ 2,026,116	\$ 10,566,196	\$ 11,357,840	\$ 16,825,949	\$ 13,383,956
Capital	6,093,297	5,849,217	19,986,501	19,331,557	26,079,798	25,180,774
<b>Total Assets</b>	<u>8,353,050</u>	<u>7,875,333</u>	<u>34,522,697</u>	<u>30,689,397</u>	<u>42,905,747</u>	<u>38,564,730</u>
Deferred Outflows of Resources	878,993	795,471	0	0	878,993	795,471
<b>Liabilities</b>						
Long-term Debt	10,711,172	8,583,007	18,477,042	14,715,311	29,188,214	23,298,318
Other Liabilities	486,472	3,016,494	4,020,825	3,796,801	4,507,297	8,813,295
Net Pension Liability	2,797,852	2,803,873	0	0	2,797,852	2,803,873
<b>Total Liabilities</b>	<u>13,995,496</u>	<u>14,403,374</u>	<u>22,497,867</u>	<u>20,512,112</u>	<u>36,493,363</u>	<u>34,915,486</u>
Deferred Inflows of Resources	1,491,737	764,565	0	0	1,491,737	764,565
<b>Net Position</b>						
Invested in Capital	3,406,060	2,832,723	2,408,687	3,388,361	5,814,747	6,221,084
Restricted	459,685	482,106	4,410,871	4,007,044	4,870,556	4,489,149
Unrestricted	(10,120,935)	(9,811,963)	5,235,271	2,781,880	(4,885,664)	(7,030,083)
<b>Total Net Position</b>	<u>\$ (6,255,190)</u>	<u>\$ (6,497,134)</u>	<u>\$ 12,054,829</u>	<u>\$ 10,177,285</u>	<u>\$ 5,799,639</u>	<u>\$ 3,680,151</u>

By far, the largest portion of the City's total assets, for fiscal year 2018 and for fiscal year 2019 is its investment in capital assets (e.g., land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets (74%) for fiscal year 2018 versus (73%) for fiscal year 2019 represents resources that are subject to external restrictions on how they may be used. Net Assets is one measure that can be used in determining the City's ability to meet its obligations. Because the debt of the government is matched with the related assets, this number may be negative from time to time. In this case, the unrestricted net assets for fiscal year 2019 are negative \$10,120,935 versus negative \$9,811,963 for fiscal year 2018.

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**Governmental Activities**

Governmental Activities increased the City's net assets by \$241,944 from fiscal year 2018 to fiscal year 2019. The Business-type activities increased the net assets by \$1,877,544 from fiscal year 2018 to fiscal year 2019. Key elements of these changes are as follows:

Table 3  
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues:</b>						
Program Revenues	\$ 831,176	\$ 1,175,239	\$ 23,112,022	\$ 20,756,800	\$ 23,943,198	\$ 21,932,039
Property Tax	1,085,845	978,019	0	0	1,085,845	978,019
Tax Increment	445,155	415,677	0	0	445,155	415,677
Utility Service Tax	215,008	245,721	0	0	215,008	245,721
Discretionary Sales Tax	615,589	506,003	0	0	615,589	506,003
Local Option Sales Tax	222,097	217,464	0	0	222,097	217,464
Shared Revenues	654,000	594,555	0	0	654,000	594,555
Investment Earnings	44,194	24,430	57,037	24,547	101,231	48,977
Miscellaneous	340,584	198,686	0	0	340,584	198,686
<b>Total Revenues</b>	<b>4,453,648</b>	<b>4,355,793</b>	<b>23,169,059</b>	<b>20,781,347</b>	<b>27,622,707</b>	<b>25,137,141</b>
<b>Program Expenses</b>						
General Government	2,510,809	2,367,894	0	0	2,510,809	2,367,894
Public Safety	4,243,031	4,122,383	0	0	4,243,031	4,122,383
Physical Environment	209,999	181,124	0	0	209,999	181,124
Transportation	967,152	884,265	0	0	967,152	884,265
Economic Environment	396,145	350,704	0	0	396,145	350,704
Culture and Recreation	535,527	537,355	0	0	535,527	537,355
Interest on Long-term Debt	72,149	80,874	0	0	72,149	80,874
Water	0	0	1,515,998	1,475,171	1,515,998	1,475,171
Electric	0	0	10,702,044	8,919,301	10,702,044	8,919,301
Sewer	0	0	1,675,225	1,524,435	1,675,225	1,524,435
Non-major	0	0	2,675,140	2,475,962	2,675,140	2,475,962
<b>Total Expenses</b>	<b>8,934,813</b>	<b>8,328,061</b>	<b>16,568,407</b>	<b>14,394,869</b>	<b>25,503,219</b>	<b>22,919,468</b>
Excess (deficit before transfers)	(4,481,165)	(3,972,268)	6,600,652	6,386,478	2,119,488	2,217,673
Transfers	4,723,108	4,560,239	(4,723,108)	(4,560,239)	0	0
<b>Change in Net Assets</b>	<b>241,944</b>	<b>587,972</b>	<b>1,877,544</b>	<b>1,826,239</b>	<b>2,119,488</b>	<b>2,217,673</b>
Net Position, Beginning	(6,497,134)	(1,902,395)	10,177,285	8,351,045	3,680,151	6,448,650
Adjustments to Beginning	0	(5,182,711)	0	0	0	(5,182,711)
<b>Net Position, Ending</b>	<b>\$ (6,255,190)</b>	<b>\$ (1,649,713)</b>	<b>\$ 12,054,830</b>	<b>\$ 10,177,285</b>	<b>\$ 5,799,640</b>	<b>\$ 3,483,612</b>

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

The City's programs include primarily General Government, Public Safety, Transportation Services, Economic and Physical Environment Services, and Recreation/Culture Services. Each program's net cost (total cost, less revenues generated by the activities) is presented below. The net cost shows the extent to which the City's general taxes support each of the City's programs.

Table 4  
Governmental Activities

	2019		2018	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General Government	\$ 2,510,809	\$ (2,265,312)	\$ 2,367,894	\$ (2,183,512)
Public Safety	4,243,031	(3,800,077)	4,122,383	(3,692,863)
Physical Environment	209,999	(209,999)	181,124	(181,124)
Transportation	967,152	(870,399)	884,265	(356,225)
Economic Environment	396,145	(396,145)	350,704	(350,704)
Culture and Recreation	535,527	(489,556)	537,355	(504,058)
Interest on Long-term Debt	72,149	(72,149)	80,874	(80,874)
	<u>\$ 8,934,813</u>	<u>\$ (8,103,637)</u>	<u>\$ 8,524,600</u>	<u>\$ (7,349,360)</u>

The cost of all governmental activities this year was \$8,934,813. As shown in the Statement of Activities, \$831,176 of this cost was paid for by those who directly benefited from the programs. The remaining source of funding came from transfers from business activities in the amount of \$4,723,108, various taxes in the amount of \$2,583,694 and the remaining \$1,038,778 is investments, shared revenues and other miscellaneous revenues. The nature of governmental activities is to be funded primarily from taxes and other non-governmental activities. Governmental activities are not normally self-supporting. As a result, the combination of taxes and non-governmental activities are sufficient to cover program expenses.

Table 5  
Business-type Activities

	2019		2018	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Electric	\$ 10,702,044	\$ 4,974,631	\$ 8,919,301	\$ 4,877,467
Water	1,515,998	434,965	1,475,171	304,335
Sewer	1,675,225	564,630	1,524,435	454,319
Non-major	2,675,140	569,390	2,475,962	725,809
	<u>\$ 16,568,407</u>	<u>\$ 6,543,616</u>	<u>\$ 14,394,869</u>	<u>\$ 6,361,930</u>

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**Business Type Activities**

Net assets of the Proprietary Funds at September 30, 2019, were \$12,054,830 which was up from \$10,177,285 in fiscal year 2018. Transfers from the Utility Funds to the General Fund were \$4,723,108 in fiscal year 2019 compared to \$4,560,239 in fiscal year 2018.

It is noteworthy that the Proprietary Funds net revenue increased from \$6,386,478 in fiscal year 2018 to \$6,600,652 in fiscal year 2019.

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

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

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

As of the end of the fiscal year 2019, the City's governmental funds reported combined ending fund balance of \$1,654,477. This represents an increase of \$149,000 when compared to fund balances in fiscal year 2018 which was \$1,505,477.

**Capital Assets**

The capital assets of the City are those assets that are used in the performance of City functions. Capital assets include equipment, buildings, land, park facilities, etc. The City previously elected to defer retroactive application of the capitalization requirements of GASB Statement No. 34 to major general infrastructure assets acquired in fiscal years ended after June 30, 1980, or that were significantly reconstructed or improved during that multi-year period. The City now has chosen to report infrastructure assets and to depreciate them as well. The summary of these assets is included in the amount shown for entity-wide statements as well as Note 6.

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2019, amounts to \$26,079,797 (net of accumulated depreciation) compared to \$25,044,839 at September 30, 2018. The increase of \$1,034,958 resulted from repairs and improvement to buildings and infrastructure.

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Table 6  
Capital Assets Net of Depreciation

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 4,606,224	\$ 4,606,224	\$ 1,666,353	\$ 1,666,353	\$ 6,272,577	\$ 6,272,577
Buildings and Improvements	5,704,080	5,704,080	25,363,949	25,363,949	31,068,029	31,068,029
Improvements other than Buildings	11,000,300	10,684,059	20,219,890	19,926,208	31,220,190	30,610,267
Infrastructure	6,915,876	6,779,638	3,484,796	1,874,362	10,400,672	8,654,000
Furniture, Fixtures, and Equipment	7,358,832	6,970,671	5,188,213	4,763,107	12,547,045	11,733,778
<b>Total Assets</b>	<b>35,585,312</b>	<b>34,744,672</b>	<b>55,923,201</b>	<b>53,593,979</b>	<b>91,508,513</b>	<b>88,338,651</b>
Less Accumulated Depreciation	(29,492,016)	(28,895,455)	(35,936,700)	(34,398,357)	(65,428,716)	(63,293,812)
<b>Total Capital Assets</b>	<b>\$ 6,093,296</b>	<b>\$ 5,849,217</b>	<b>\$ 19,986,501</b>	<b>\$ 19,195,622</b>	<b>\$ 26,079,797</b>	<b>\$ 25,044,839</b>

Additional information on the City's capital assets can be found in Note 6 on page 39 of this report.

**Debt**

Currently the City uses debt financing on an as needed basis each year. At the end of fiscal year 2019, the City had total debt of \$20,870,906 versus \$20,656,946 for fiscal year 2018, inclusive of Compensated Absences (vacation and sick time owed to employees) which totaled \$323,189 and \$254,361 respectively. Revenue bonds amounted to \$12,861,000 for fiscal year 2019. Notes payable in the amount of \$6,691,679 for fiscal year 2019 and \$4,086,664 for fiscal year 2018 are all secured by related assets. The remaining loans payable are secured by franchise fees and public services taxes. The capital leases are secured by equipment.

Table 7  
Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenue Bonds	\$ 2,616,000	\$ 2,904,000	\$ 10,245,000	\$ 10,910,000	\$ 12,861,000	\$ 13,814,000
Capitalized Leases	71,237	86,576	641,136	779,186	712,373	865,762
Compensated Absences	196,667	156,213	126,522	98,148	323,189	254,361
Notes Payable	0	25,918	6,691,679	4,060,746	6,691,679	4,086,664
Landfill	0	0	282,665	322,678	282,665	322,678
<b>Total Outstanding Debt</b>	<b>\$ 2,883,904</b>	<b>\$ 3,172,707</b>	<b>\$ 17,987,002</b>	<b>\$ 16,170,758</b>	<b>\$ 20,870,906</b>	<b>\$ 20,656,946</b>

Additional information on the City's debt can be found in Note 7 on page 40 of this report.



**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**NEXT YEAR'S BUDGET AND ECONOMIC FACTORS**

The City's anticipate strong revenue growth in the electric enterprise fund under normal climatic weather conditions, with gas, water, sewer, and refuse revenues to have moderate growth. Additionally, grant revenues are expected to increase at least \$2 to \$3 million annually, as a result of a grants writer on board full-time. Trulieve, due to its expansion plan and current consumption level, are expected to at least 140% of the previous fiscal year revenues. However, the COVID-19 Pandemic Crisis impact on City economic outlook is yet to be complete assess, because the crisis is on-going.

The City will continue to budget \$100,000 annually to be placed in the City's rate stabilization funds. FEMA and State Disaster funds, after liquidating related expenses, will also be placed in a Utility storm reserve. The recovery funds are expected to approximate \$4 million over the next two years.

The City's five-year capital budget includes the purchase of a new building for the Public Works department and field house for Parks and Recreation. There are other projects, such as Joy Land, which will increase the number of utility customers, and swimming pool replacements, which will be completed. The Solar Array project, when completed, will allow the City to generate power in over one hundred years; and to generate excess power for sale on the City's electrical grid.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department, at the City of Quincy, 404 West Jefferson Street, Quincy, Florida 32351-2328.

**CITY OF QUINCY, FLORIDA**  
**BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2019**

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>Assets</b>			
Cash and Cash Equivalents	\$ 829,442	\$ 3,908,602	\$ 4,738,044
Investments	817,552	1,168,111	1,985,663
Accounts Receivables, Net	127,119	3,050,325	3,177,444
Assessment Receivables	172,699	0	172,699
Prepaid Expense	0	87,000	87,000
Due from Other Governments	312,942	0	312,942
Inventories	0	298,958	298,958
Restricted Cash and Investments	0	4,410,871	4,410,871
Capital Assets:			
Nondepreciable	4,606,224	1,666,353	6,272,577
Depreciable, Net	1,487,073	18,320,148	19,807,221
Internal Balances	0	1,642,329	1,642,329
<b>Total Assets</b>	<u>8,353,049</u>	<u>34,552,697</u>	<u>42,905,747</u>
<b>Deferred Outflows of Resources</b>			
Deferred Outflows for OPEB	234,207	0	234,207
Deferred Outflows for Pensions	644,786	0	644,786
<b>Total Deferred Outflows of Resources</b>	<u>878,993</u>	<u>0</u>	<u>878,993</u>
<b>Liabilities</b>			
Accounts Payable	137,093	942,525	1,079,618
Accrued Payroll	349,378	67,285	416,663
Accrued Interest	0	310,265	310,265
Accrued Compensated Absences	0	54,001	54,001
Bonds and Notes Payable	0	1,095,787	1,095,787
Customer Deposits	0	1,524,083	1,524,083
Due to other Governments	0	26,879	26,879
Noncurrent Liabilities:			
Accrued Compensated Absences	196,667	72,522	269,189
Bonds and Notes Payable	2,687,237	16,482,027	19,169,264
Net Pension Liability	2,797,852	0	2,797,852
Internal Balances	2,500	1,639,829	1,642,329
Other Postemployment Benefits Liability	7,824,768	0	7,824,768
Landfill Closure	0	282,665	282,665
<b>Total Liabilities</b>	<u>13,995,496</u>	<u>22,497,867</u>	<u>36,493,363</u>
<b>Deferred Inflows of Resources</b>			
Deferred Inflows for OPEB	1,292,119	0	1,292,119
Deferred Inflows for Pensions	199,618	0	199,618
<b>Total Deferred Inflows of Resources</b>	<u>1,491,737</u>	<u>0</u>	<u>1,491,737</u>
<b>Net Position</b>			
Net Investment in Capital Assets	3,406,060	2,408,687	5,814,747
Restricted for:			
Debt Service	155,786	4,410,871	4,566,657
Public Safety	25,853	0	25,853
Economic Environment	278,046	0	278,046
Unrestricted	(10,120,935)	5,235,271	(4,885,664)
<b>Total Net Position</b>	<u>\$ (6,255,190)</u>	<u>\$ 12,054,830</u>	<u>\$ 5,799,640</u>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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
<b>Governmental Activities:</b>							
General Government	\$ 2,510,809	\$ 245,497	\$ 0	\$ 0	\$ (2,265,312)	\$ 0	\$ (2,265,312)
Public Safety	4,243,031	442,954	0	0	(3,800,077)	0	(3,800,077)
Physical Environment	269,999	0	0	0	(269,999)	0	(269,999)
Transportation	967,132	81,924	0	14,830	(870,399)	0	(870,399)
Economic Environment	396,145	0	0	0	(396,145)	0	(396,145)
Culture and Recreation	535,527	45,071	0	0	(489,556)	0	(489,556)
Interest on Long-term Debt	72,149	0	0	0	(72,149)	0	(72,149)
<b>Total Governmental Activities</b>	<b>8,934,813</b>	<b>816,346</b>	<b>0</b>	<b>14,830</b>	<b>(8,103,637)</b>	<b>0</b>	<b>(8,103,637)</b>
<b>Business-Type Activities</b>							
Water Fund	1,515,998	1,950,963	0	0	0	434,965	434,965
Electric Fund	10,702,044	15,076,674	0	0	0	4,974,631	4,974,631
Wastewater Fund	1,675,225	2,120,891	118,964	0	0	564,630	564,630
Non-Major Funds	2,675,140	3,244,530	0	0	0	569,390	569,390
<b>Total Business-type Activities</b>	<b>16,568,407</b>	<b>22,993,058</b>	<b>118,964</b>	<b>0</b>	<b>0</b>	<b>6,543,615</b>	<b>6,543,615</b>
<b>Total Primary Government</b>	<b>\$ 25,503,220</b>	<b>\$ 23,809,405</b>	<b>\$ 118,964</b>	<b>\$ 14,830</b>	<b>\$ (8,103,637)</b>	<b>\$ 6,543,615</b>	<b>\$ (1,560,021)</b>
<b>General Revenues</b>							
<b>Taxes</b>							
Property Taxes					\$ 1,085,845	\$ 0	\$ 1,085,845
Tax Increment					445,155	0	\$ 445,155
Utility Service Tax					215,008	0	\$ 215,008
Discretionary Sales Surtax					615,589	0	\$ 615,589
Local Option Gas Tax					222,097	0	\$ 222,097
Sales Tax and Other Shared Revenues					654,000	0	\$ 654,000
Investment Earnings					44,194	57,057	\$ 101,251
Miscellaneous					340,584	0	\$ 340,584
Transfers					4,723,108	(4,723,108)	\$ 0
<b>Total General Revenues and Transfers</b>					<b>8,345,581</b>	<b>(4,666,071)</b>	<b>3,679,510</b>
<b>Change in Net Position</b>					<b>241,944</b>	<b>1,877,544</b>	<b>2,119,488</b>
<b>Net Position Beginning of Year</b>					<b>(6,497,134)</b>	<b>10,177,285</b>	<b>3,680,151</b>
<b>Net Position End of Year</b>					<b>\$ (6,255,190)</b>	<b>\$ 12,054,829</b>	<b>\$ 5,799,639</b>

See accompanying Notes to Financial Statements.

**CITY OF QUINCY, FLORIDA**  
**BALANCE SHEET-GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2019**

	<u>General Fund</u>	<u>Community Redevelopment Agency</u>	<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Cash and Cash Equivalent	\$ 312,368	\$ 335,434	\$ 181,639	\$ 829,442
Investments	817,552	0	0	817,552
Receivables (Net)	127,119	0	0	127,119
Assessment Receivables (Net)	172,699	0	0	172,699
Due from Other Governments	312,942	0	0	312,942
Advances to Other Funds	0	0	0	0
<b>Total Assets</b>	<u>1,742,680</u>	<u>335,434</u>	<u>181,639</u>	<u>2,259,753</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	85,110	51,983	0	137,093
Accrued Expenses	346,474	2,904	0	349,378
Due to Other Governments	0	0	0	0
Advances from Other Funds	0	2,500	0	2,500
<b>Total Liabilities</b>	<u>431,584</u>	<u>57,388</u>	<u>0</u>	<u>488,972</u>
<b>Deferred Inflows of Resources</b>	<u>116,304</u>	<u>0</u>	<u>0</u>	<u>116,304</u>
<b>Fund Balances</b>				
Nonspendable:				
Advances to Other Funds	0	0	0	0
Restricted for:				
Law Enforcement	0	0	25,853	25,853
Physical Environment	0	0	0	0
Economic Environment	0	278,046	0	278,046
Debt Service	0	0	155,786	155,786
Assigned	221,973	0	0	221,973
Unassigned	972,819	0	0	972,819
<b>Total Fund Balances</b>	<u>1,194,792</u>	<u>278,046</u>	<u>181,639</u>	<u>1,654,477</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,742,679</u>	<u>\$ 335,434</u>	<u>\$ 181,639</u>	<u>\$ 2,259,752</u>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

<b>Total Fund Balances of Governmental Funds</b>		\$	1,654,477
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 governmental funds.			6,093,297
Receivables that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds.			116,304
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
Bonds and Notes Payable	(2,687,237)		
Other postemployment benefits	(7,824,768)		
Net pension liability	(2,797,852)		
Compensated absences	<u>(196,667)</u>		(13,506,524)
The net pension asset is not a current financial resource and, therefore, is not reported in governmental funds.			
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in governmental funds.			
Deferred outflows of resources for pensions	644,786		
Deferred outflows of resources for OPEB	234,207		
Deferred inflows of resources for OPEB	(1,292,119)		
Deferred inflows of resources for pensions	<u>(199,618)</u>		<u>(612,744)</u>
<b>Total Net Position of Governmental Activities</b>		<b>\$</b>	<b><u>(6,255,190)</u></b>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	General Fund	Community Redevelopment Agency	Non-Major Governmental	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$ 2,134,980	\$ 0	\$ 0	\$ 2,134,980
Tax Increment	0	445,155	0	445,155
Licenses and Permits	210,947	0	0	210,947
Intergovernmental Revenues	744,337	0	0	744,337
Charges for Services	488,925	0	0	488,925
Fines and Foreitures	36,293	0	0	36,293
Miscellaneous Revenues	381,228	1,234	573	383,035
<b>Total Revenues</b>	<u>3,996,711</u>	<u>446,389</u>	<u>573</u>	<u>4,443,673</u>
<b>Expenditures</b>				
Current:				
General Government	2,144,178	0	0	2,144,178
Public Safety	3,796,342	0	0	3,796,342
Physical Environment	196,174	0	0	196,174
Transportation	776,985	0	0	776,985
Economic Environment	162,203	222,713	0	384,916
Culture and Recreation	477,138	0	0	477,138
Debt Service:				
Principal	41,257	0	288,000	329,257
Interest	5,302	0	66,848	72,149
Capital Outlay	528,818	311,823	0	840,641
<b>Total Expenditures</b>	<u>8,128,398</u>	<u>534,535</u>	<u>354,848</u>	<u>9,017,781</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(4,131,686)</u>	<u>(88,146)</u>	<u>(354,275)</u>	<u>(4,574,107)</u>
<b>Other Financing Sources (Uses)</b>				
Debt Proceeds	0	0	0	0
Transfers In	4,771,240	0	420,000	5,191,240
Transfers Out	(468,132)	0	0	(468,132)
<b>Total Other Financing Sources (Uses)</b>	<u>4,303,108</u>	<u>0</u>	<u>420,000</u>	<u>4,723,108</u>
<b>Net Change in Fund Balances</b>	171,422	(88,146)	65,725	149,001
<b>Fund Balances, Beginning of Year</b>	<u>1,023,371</u>	<u>366,192</u>	<u>115,914</u>	<u>1,505,476</u>
<b>Fund Balances, End of Year</b>	<u>\$ 1,194,792</u>	<u>\$ 278,046</u>	<u>\$ 181,639</u>	<u>\$ 1,654,477</u>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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

Net Change in Fund Balances - Total Governmental Funds.		\$ 149,001
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Expenditures for Capital Assets	840,641	
Less: Current Year Depreciation	<u>(596,561)</u>	244,080
Repayment of long-term debt is reported as an expenditure in governmental funds, but as a reduction of long-term liabilities in the statement of net assets.		
The issuance of long-term debt provides current financial resources to governmental funds, while it has no effect on the statement of activities.		
		329,257
Certain pension related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the plan made after the measurement date:		
Deferred Inflows Related to Pensions	(176,273)	
Deferred Outflows Related to Pensions	66,609	
Deferred Inflows Related to OPEB	(550,899)	
Deferred Outflows Related to OPEB	<u>16,913</u>	(643,650)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Changes in Compensated Absences	(40,454)	
Change in Other Postemployment Benefits	187,714	
Change in Net Pension Liability	<u>6,021</u>	153,281
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds		
		9,976
<b>Change in Net Position of Governmental Activities</b>		<u><u>\$ 241,944</u></u>



**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF FUNDS NET POSITION-PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2019**

	Enterprise Funds					Internal Service Fund
	Major Funds			Non-Major Funds	Total Enterprise Funds	
	Water Fund	Electric Fund	Wastewater Fund			
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	\$ 201,722	\$ 3,150,925	\$ 138,501	\$ 325,506	\$ 3,816,654	\$ 90,120
Investments	823,155	344,956	0	0	1,168,111	0
Receivables (Net)	337,179	1,977,129	346,882	389,135	3,050,325	0
Prepaid Items	87,000	0	0	0	87,000	0
Inventories	47,591	235,303	1,585	14,479	298,958	0
<b>Total Current Assets</b>	<u>1,496,647</u>	<u>5,708,313</u>	<u>486,968</u>	<u>729,119</u>	<u>8,421,048</u>	<u>90,120</u>
<b>Noncurrent Assets</b>						
<b>Restricted Assets:</b>						
Restricted Cash and Cash Equivalents	2,067,102	1,355,796	587,873	401,929	4,412,700	0
<b>Total Restricted Assets</b>	<u>2,067,102</u>	<u>1,355,796</u>	<u>587,873</u>	<u>401,929</u>	<u>4,412,700</u>	<u>0</u>
<b>Capital Assets:</b>						
Land and Land Improvements	400,323	403,717	403,717	458,595	1,666,353	0
Property, Plant and Equipment (Accumulated Depreciation)	14,712,769 (11,862,813)	27,851,282 (17,033,204)	9,709,094 (5,245,299)	1,983,733 (1,795,415)	54,256,878 (35,936,731)	0
<b>Total Net Capital Assets</b>	<u>3,250,278</u>	<u>11,221,796</u>	<u>4,867,512</u>	<u>646,913</u>	<u>19,986,500</u>	<u>0</u>
<b>Other Assets:</b>						
Advances to other Funds	479,943	200,000	479,943	479,943	1,639,829	2,500
<b>Total Noncurrent Assets</b>	<u>479,943</u>	<u>200,000</u>	<u>479,943</u>	<u>479,943</u>	<u>1,639,829</u>	<u>2,500</u>
<b>Total Assets</b>	<u>\$ 7,293,970</u>	<u>\$ 18,485,906</u>	<u>\$ 6,422,296</u>	<u>\$ 2,257,904</u>	<u>\$ 34,460,076</u>	<u>\$ 92,620</u>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF FUNDS NET POSITION-PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2019**

	Business-Type Activities					Internal Service Fund
	Enterprise Funds				Total Enterprise Funds	
	Major Funds		Wastewater Fund	Non-Major Funds		
Water Fund	Electric Fund					
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Accounts Payable	\$ 24,400	\$ 692,132	\$ 23,967	\$ 200,260	\$ 940,758	\$ 1,766
Accrued Payroll	6,481	40,939	8,453	8,961	64,834	2,451
Due to other Governments	0	0	0	26,879	26,879	0
Accrued Interest Payable	54,725	185,465	37,128	32,948	310,265	0
Current Portion:						
Bonds Payable	109,650	282,300	109,650	23,400	525,000	0
Notes Payable	176,140	0	241,266	0	417,406	0
Capitalized Leases Payable	25,564	81,804	46,014	0	153,381	0
Compensated Absences Payable	1,774	40,268	5,580	5,022	52,644	1,358
<b>Total Current Liabilities</b>	<u>398,734</u>	<u>1,322,907</u>	<u>472,057</u>	<u>297,469</u>	<u>2,491,167</u>	<u>5,575</u>
<b>Noncurrent Liabilities</b>						
Customer Deposits	20,908	1,492,132	0	11,043	1,524,083	0
Advances from Other Funds	0	1,439,829	200,000	0	1,639,829	0
Due from other Governments	0	0	0	0	0	0
Long-term Portion:						
Bonds Payable	1,843,200	5,397,900	1,843,200	635,700	9,720,000	0
Notes Payable	2,682,911	2,980,330	611,031	0	6,274,272	0
Capitalized Lease Payable	81,292	260,135	146,326	0	487,754	0
Compensated Absences	5,323	46,200	1,860	15,066	68,449	4,073
Land Fill Closure Liability	0	0	0	282,665	282,665	0
<b>Total Noncurrent Liabilities</b>	<u>4,633,635</u>	<u>11,616,526</u>	<u>2,802,418</u>	<u>944,474</u>	<u>19,997,053</u>	<u>4,073</u>
<b>Total Liabilities</b>	<u>5,032,369</u>	<u>12,939,433</u>	<u>3,274,475</u>	<u>1,241,944</u>	<u>22,488,220</u>	<u>9,647</u>
<b>Net Position</b>						
Net Investment in Capital Assets	(1,668,479)	2,219,327	1,870,025	(12,187)	2,408,686	0
Restricted for:						
Debt Service	2,067,102	1,355,796	587,873	401,929	4,412,700	0
Unrestricted	1,862,978	1,971,349	689,924	626,219	5,150,470	82,973
<b>Total Net Position</b>	<u>2,261,601</u>	<u>5,546,472</u>	<u>3,147,822</u>	<u>1,015,961</u>	<u>11,971,856</u>	<u>82,973</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 7,293,970</u>	<u>\$ 18,485,905</u>	<u>\$ 6,422,296</u>	<u>\$ 2,257,904</u>	<u>\$ 34,460,076</u>	<u>\$ 92,620</u>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Business-Type Activities					Internal Service Fund
	Enterprise Funds				Total Enterprise Funds	
	Water Fund	Major Funds Electric Fund	Wastewater Fund	Non-Major Funds		
<b>Operating Revenues</b>						
Charges for Services	\$ 1,893,890	\$ 15,320,186	\$ 2,120,891	\$ 3,077,908	\$ 22,412,874	\$ 0
Interfund Charges	57,074	356,488	0	0	413,562	166,622
<b>Total Operating Revenue</b>	<u>1,950,963</u>	<u>15,676,674</u>	<u>2,120,891</u>	<u>3,077,908</u>	<u>22,826,436</u>	<u>166,622</u>
<b>Operating Expenses</b>						
Purchase Power	0	7,076,035	0	732,847	7,808,882	0
Personal Service	169,027	784,156	206,362	238,374	1,397,919	66,981
Contractual Service	413,463	147,548	771,121	1,322,109	2,654,242	25,115
Supplies	2,139	60,764	2,393	5,668	70,963	196
Repairs and Maintenance	78,809	908,557	13,622	17,894	1,018,883	0
Utility/Telephone	98,175	60,891	222,061	6,377	387,504	14,716
Shared Service	55,932	298,029	41,652	83,304	478,917	0
Depreciation	468,504	780,297	245,779	43,795	1,538,376	0
Other Expenses	59,413	178,459	40,571	48,446	326,888	11,543
Bad Debt	1,436	0	0	0	1,436	0
IT- Support	8,000	47,000	8,000	8,897	71,897	0
<b>(Total Operating Expenses)</b>	<u>(1,354,897)</u>	<u>(10,341,736)</u>	<u>(1,551,561)</u>	<u>(2,507,712)</u>	<u>(15,755,907)</u>	<u>(118,351)</u>
<b>Operating Income</b>	<u>596,066</u>	<u>5,334,938</u>	<u>569,329</u>	<u>570,196</u>	<u>7,070,529</u>	<u>48,271</u>
<b>Non-Operating (Expenses)</b>						
Capital Grants	0	0	118,964	0	118,964	0
Interest Income	11,002	11,107	3,056	1,999	27,164	0
Interest Expenses	(161,101)	(360,307)	(123,664)	(49,077)	(694,149)	0
Investment Gains and Losses	16,792	13,081	0	0	29,873	0
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(133,307)</u>	<u>(336,119)</u>	<u>(1,644)</u>	<u>(47,077)</u>	<u>(518,148)</u>	<u>0</u>
<b>Income Before Transfers</b>	<u>462,759</u>	<u>4,998,819</u>	<u>567,685</u>	<u>523,118</u>	<u>6,552,382</u>	<u>48,271</u>
<b>Operating Transfers</b>						
Transfers In	0	0	0	0	0	48,132
Transfers Out	(180,000)	(4,017,581)	(120,000)	(448,214)	(4,765,795)	(5,445)
<b>Total Operating Transfers</b>	<u>(180,000)</u>	<u>(4,017,581)</u>	<u>(120,000)</u>	<u>(448,214)</u>	<u>(4,765,795)</u>	<u>42,687</u>
<b>Extraordinary Item</b>						
<b>Change in Net Position</b>	<u>282,759</u>	<u>981,238</u>	<u>447,685</u>	<u>74,904</u>	<u>1,786,587</u>	<u>90,958</u>
<b>Net Position, Beginning of Year</b>	1,978,842	4,565,235	2,700,136	941,056	10,185,269	(7,985)
<b>Net Position, End of Year</b>	<u>\$ 2,261,601</u>	<u>\$ 5,546,473</u>	<u>\$ 3,147,822</u>	<u>\$ 1,015,961</u>	<u>\$ 11,971,856</u>	<u>\$ 82,973</u>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF CASH FLOWS PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Water Fund	Electric Fund	Wastewater Fund	Non-Major Funds	Total Enterprise Funds	Internal Service Funds
<b>Cash Flows from Operating Activities</b>						
Cash Received from Customers and Others	\$1,855,153	\$15,676,674	\$2,120,891	\$3,077,908	\$22,730,626	\$166,622
Cash Paid to Employees	(168,840)	(784,156)	(206,362)	(238,374)	(1,397,732)	(67,931)
Cash Paid to Suppliers	(820,282)	(8,732,848)	(1,194,635)	(2,227,035)	(12,969,911)	(51,258)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>866,031</u>	<u>6,159,670</u>	<u>719,894</u>	<u>612,499</u>	<u>8,362,983</u>	<u>47,433</u>
<b>Cash Flows from Noncapital Financing Activities</b>						
Amounts Received from Other Funds	0	0	0	0	0	0
Operating Transfers In	0	0	0	0	0	48,132
Operating Transfers Out	(180,000)	(4,017,581)	(120,000)	(448,214)	(4,765,795)	(5,445)
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>(180,000)</u>	<u>(4,017,581)</u>	<u>(120,000)</u>	<u>(448,214)</u>	<u>(4,765,795)</u>	<u>42,687</u>
<b>Cash Flows from Capital and Related Financing Activities</b>						
Grants	0	0	118,964	0	114,075	0
Loan Proceeds	0	2,980,330	0	0	2,980,330	0
Principal Payments on Debt	(300,057)	(344,827)	(490,598)	(22,100)	(1,157,582)	0
Interest Payments on Debt	(161,101)	(360,307)	(421,667)	(49,077)	(692,152)	0
Purchase of Fixed Assets	(42,908)	(2,099,392)	(41,023)	(9,995)	(2,193,319)	0
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>(504,066)</u>	<u>175,804</u>	<u>(534,324)</u>	<u>(81,172)</u>	<u>(948,648)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>						
Interest Received	11,002	(1,107)	3,056	1,999	27,164	0
Investment Activity	16,792	13,081	0	0	29,873	0
Investments Purchased	0	0	0	0	0	0
<b>Net Cash Provided from Investing</b>	<u>27,794</u>	<u>24,188</u>	<u>3,056</u>	<u>1,999</u>	<u>57,037</u>	<u>0</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>209,759</u>	<u>2,342,081</u>	<u>68,626</u>	<u>85,112</u>	<u>2,705,577</u>	<u>90,120</u>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>2,059,665</u>	<u>2,164,640</u>	<u>657,748</u>	<u>642,322</u>	<u>5,523,775</u>	<u>0</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$2,268,824</u>	<u>\$ 4,506,721</u>	<u>\$ 726,374</u>	<u>\$ 727,434</u>	<u>\$ 8,229,352</u>	<u>\$ 90,120</u>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF CASH FLOWS PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	404 Water Fund	403 Electric Fund	402 Wastewater Fund	Non-Major Funds	Total Enterprise Funds	Internal Service Funds
<b><u>Included on the Accompanying Balance Sheet</u></b>						
<b><u>Under the Following Captions</u></b>						
Cash and Cash Equivalents Restricted Assets	\$ 201,722	\$ 3,130,925	\$ 138,501	\$ 325,506	\$ 3,818,482	\$ 90,120
Cash and Cash Equivalents	<u>2,067,102</u>	<u>1,355,796</u>	<u>587,873</u>	<u>401,920</u>	<u>4,410,871</u>	<u>0</u>
<b>Total</b>	<b><u>2,268,824</u></b>	<b><u>4,506,721</u></b>	<b><u>726,374</u></b>	<b><u>727,435</u></b>	<b><u>8,229,353</u></b>	<b><u>90,120</u></b>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash</u></b>						
<b><u>Provided by (Used in) Operating Activities</u></b>						
<b>Cash Flows from Operating Activities</b>						
Operating Income (Loss)	600,955	5,334,938	569,329	570,196	7,075,418	48,271
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:						
Depreciation	468,504	780,297	245,779	83,795	1,538,375	0
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):						
Inventory	8,017	90,696	1,051	(11,730)	90,034	0
Accounts Receivable, Net	(95,810)	(136,704)	(103,199)	(60,931)	(396,644)	0
Investments	(5,465)	(11,084)	0	0	(16,549)	0
Prepaid	(87,000)	0	0	0	(87,000)	0
Advances to Other Funds	0	0	0	0	0	(2,500)
Accounts Payable	5,943	(3,646)	15,717	61,813	79,827	(85)
Accrued Payroll	1,602	(5,067)	3,574	1,702	1,811	222
Accrued Interest Payable	(27,002)	38,834	(13,880)	16,377	14,329	0
Due to Other Governments	0	0	0	26,879	26,879	0
Customer Deposits	(260)	53,443	0	2,385	55,568	0
Advances From Other Funds	0	0	0	0	0	42,686
Landfill Closure Liability	0	0	0	(40,012)	(40,012)	0
Compensated Absences	1,436	17,963	1,523	2,025	22,947	1,526
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b><u>\$ 870,920</u></b>	<b><u>\$ 6,159,670</u></b>	<b><u>\$ 721,894</u></b>	<b><u>\$ 612,499</u></b>	<b><u>\$ 8,164,983</u></b>	<b><u>\$ 90,120</u></b>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION-FIDUCIARY FUND**  
**SEPTEMBER 30, 2019**

	<u>Retirement Savings Plan</u>	<u>Police and Firemen's Supplemental Pension Plan</u>	<u>Total</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 71,227	\$ 242,840	\$ 314,067
Investments	7,686,594	\$ 7,452,556	15,139,150
Receivables	0	\$ 306,438	306,438
<b>Total Assets</b>	<u>7,757,821</u>	<u>8,001,834</u>	<u>15,759,655</u>
<b>Liabilities</b>			
Payables			
Refunds of Member Contributions	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Assets</b>			
Refund			
Held in Trust for Pension Benefits	<u>7,757,821</u>	<u>8,001,834</u>	<u>15,759,655</u>
<b>Total Net Assets</b>	<u>\$ 7,757,821</u>	<u>\$ 8,001,834</u>	<u>\$ 15,759,655</u>

See accompanying Notes to Financial Statements.

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION-FIDUCIARY FUND**  
**SEPTEMBER 30, 2019**

	<u>Retirement Savings Plan</u>	<u>Police and Firemen's Supplemental Pension Plan</u>	<u>Total</u>
<b>Additions</b>			
<b>Contributions</b>			
Plan Members	\$ 0	\$ 62,268	\$ 62,268
City	436,844	418,388	855,232
State	0	100,512	100,512
<b>Total Contributions</b>	<u>436,844</u>	<u>581,168</u>	<u>1,018,012</u>
<b>Investment Income (Loss):</b>			
Net Realized and Unrealized Gains	(462,902)	(3,225)	(466,127)
Interest and Dividends	538,469	376,250	914,719
<b>Net Investment Income</b>	<u>75,568</u>	<u>373,025</u>	<u>448,593</u>
<b>Total Additions</b>	<u>512,411</u>	<u>954,193</u>	<u>1,466,604</u>
<b>Deductions</b>			
Benefits Payments	349,524	719,893	1,069,417
Administrative Expenses	0	61,042	61,042
<b>Total Deductions</b>	<u>349,524</u>	<u>780,935</u>	<u>1,130,460</u>
<b>Change in Net Position</b>	162,887	173,258	336,145
<b>Net Position - Beginning of Year</b>	7,594,934	7,828,576	15,423,510
<b>Net Assets - End of Year</b>	<u>\$ 7,757,821</u>	<u>\$ 8,001,834</u>	<u>\$ 15,759,655</u>

See accompanying Notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**



**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 1 - Summary of Significant Accounting Policies**

The financial statements of the City of Quincy, Florida, (the "City") have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America 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. Significant City accounting policies are described below:

**Reporting Entity**

The City of Quincy, Florida, (the "City") is a municipality, which operates under a Commission-City Manager form of government established on November 19, 1828, pursuant to a Special Act of the State of Florida Legislature. The City provides municipal services to its residents, including general government, public safety, public works, culture and recreation, economic environment, cemetery and engineering. The City also provides electric, water, sewer (wastewater), gas, refuse collection, and a landfill.

The following is a summary of the City's significant accounting policies 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.

**Reporting Standards**

In accordance with Codification of Governmental Accounting and Financial Reporting Standards, the accompanying financial statements include all funds for which the City is financially accountable. The City has also considered all other potential organizations for which the nature and significance of their relationships with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. GASB has set forth criteria for consideration in determining financial accountability. These criteria include appointing a majority of an organization's governing body and: (1) the ability of the City to impose its will on that organization; or, (2) the potential for that organization to provide specific benefits to or impose specific financial burdens on the City. Other considerations are whether the organization is legally separate, whether the City holds the corporate powers of the organization, and whether there is fiscal dependency by the organization on the City.

**Blended Component Unit**

**Quincy Community Redevelopment Agency (CRA)** - In 1999, the City passed Ordinance No. 896 establishing the CRA which is governed by the City Commission. The CRA has responsibility for the southern portion of the City which includes three enumeration districts.

The CRA is reported as a blended component unit because the organization's governing body is the same as the City and the organization provides services almost entirely to the primary government. With the adoption of GASB 61 and management's re-evaluation of the CRA, the City is now reporting the CRA as a major special revenue fund in order to more fully comply with generally accepted accounting principles.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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 activities of the City. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental and proprietary funds, and fiduciary funds, even though the latter are 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.

**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 financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one, such as in grants and similar items, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded and the availability criteria. Licenses and permits, fines and forfeiture, charges for sales and services (other than utility), and miscellaneous revenues are generally recorded as revenue when received in cash, because they are generally not measurable until actually received. Utility services, investment earnings, and utility taxes are recorded as earned, since they are measurable and available.

**CITY OF QUINCY, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2019**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Property taxes are recognized as revenue at the time an enforceable legal claim is established. This is determined to occur November 1, of each year. The assessment roll is validated July 1, and the millage resolution is approved by September 30. The City's property tax becomes a lien on October 1, and the tax is levied by Gadsden County each November 1, for real and personal property located in the City. Property taxes are due before April 1, with the maximum discount available, if payment is made on or before November 30. If payment remains delinquent, a tax certificate for the full amount of any unpaid taxes is sold no later than June 1. Under this arrangement, there are no property tax receivables at the end of the fiscal year on September 30.

**Fund Accounting**

The accounts of the City are organized into funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, reserves, fund balance/net assets, revenues, and expenditures or expenses, as appropriate. The City has the following funds:

**Governmental Fund Types**

Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as "fund balance." The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

The following comprise the City's major governmental funds:

- **General Fund** - The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other funds are accounted for in this fund. Many of the more important activities of the City, including operation of the City's street and highway maintenance; public safety, parks, recreation programs, and general service departments are accounted for in this fund.
- **Quincy Community Redevelopment Agency (The CRA)** was created in accordance with Chapter 163, Florida Statutes on February 23, 1999, by the City. The CRA is funded by the incremental tax funds contributed by Gadsden County and the City, and is charged with the responsibility of facilitating the revitalization of designated "slum" and or "blighted" areas within the City.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The other governmental funds of the City are considered non-major and are as follows:

- **Special Revenue Funds** - used to account for revenues derived from specific sources, which are usually required by law or regulation to be accounted for in separate funds.
- **Confiscated Property** - used to account for confiscated property to be used for public safety purposes.
- **Debt Service Funds** - used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**Proprietary Fund Types** - used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position, and cash flows. Pursuant to the election option made available by GASB Statement No. 20, pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989, are not applied in the preparation of the financial statements of the Proprietary Fund types.

**Enterprise Funds** - finance and account for the acquisition, operation, and maintenance of the City's facilities and services which are supported primarily by user charges. The following comprise the City's major enterprise funds:

- **Electric Fund** - used to account for the operation and maintenance of the City's electric distribution system.
- **Water Fund** - used to account for the operation and maintenance of the City's water distribution system.
- **Waste Water Fund** - used to account for the operation and maintenance of the City's sewer system.

The other enterprise funds of the City are considered non-major and are as follows:

- **Refuse Fund** - used to account for the operation and maintenance of the City's refuse system.
- **Landfill Fund** - used to account for the operation and maintenance of the City's landfill site.
- **Gas Fund** - used to account for the operation and maintenance of the City's gas distribution system.
- **Internal Service Funds** - was originally used to accumulate and allocate costs internally among the City's various functions. However, over the years it has been used to accumulate the discontinued operations related to "Net Quincy" including all assets and liabilities. The City transferred all the assets and general long term debt of the fund to the electric fund during the year.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Fiduciary Fund Types (Trust Funds)** - used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

**Trust and Agency Funds** – used to account for assets held in a trustee capacity or as an agent for other funds, governmental units and others. The *pension trust fund* is accounted for in essentially the same manner as proprietary funds, using the same measurement focus and basis of accounting. The *pension trust fund* accounts for the assets of the City's Retirement Savings Plan and for the Police and Firemen's Supplemental Pension Plan.

The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's electric, water, wastewater, gas and telecommunications function, and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The City's enterprise funds also recognize as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Deposits and Investments**

The City maintains a cash pool that is available for use by all funds. Interest income earned as a result of pooling is distributed monthly to the appropriate funds based on average daily balances. The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid instruments with original maturities of three months or less from the date of acquisition.

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as qualified public depositories, a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral for their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions providing full insurance for public deposits. The City had deposits only with qualifying institutions as of September 30, 2019.

Investments are held in the General Fund and the proprietary funds and consist of marketable securities reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales quote at current exchange rates. Investments that do not have an established market are reported at estimated fair value based on market indicators regarded as measures of equity or fixed income performance results.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Receivable and Payables**

Outstanding balances between funds are reported as "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Receivables are reported net of an allowance of uncollectible. The City calculates its allowance for uncollectible using historical collections data, specific account analysis, and management's judgment.

**Inventory**

Inventory for governmental-type activities is valued at the lower of cost, using the first-in, first-out (FIFO) method, or market value. Generally, the costs of governmental fund type inventories are recorded as expenditures when consumed (consumption method) rather than when purchased. Business-type activities, utility supplies and plant inventory are valued at lower of cost, as determined by the average unit cost method, or market value.

**Prepaid**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are accounted for by use of the consumption method.

**Restricted Assets**

Certain resources are set aside for debt reserves, customer deposits, and other purposes. These resources are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants, ordinances, or regulations.

**Capital Assets**

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 and an estimated useful life, in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Property, plant and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings	10-50 Years
Improvements	10-35 Years
Infrastructure	40-55 Years
Furniture, Fixtures, and Equipment	3-20 Years

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Compensated Absences**

Accumulated unpaid vacation time, compensatory time, and sick time amounts, including the related direct and incremental salary-related payments, accrues in the enterprise funds, and appear as increases in salary expenses in the proprietary financial statements. In the governmental funds, these costs are recognized when payments are made to employees or when the costs mature as a result of an employee resignation or retirement. All vacation, compensatory, and sick pay accrues when incurred in the government-wide financial statements.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and business-type activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the bond premium or discount. Bond issuance costs are expensed when incurred, with the exception of bond insurance, which is amortized over the term of the related debt.

In the fund financial statements, governmental fund types record bond premiums and discounts, as well as bond issuance costs in the year incurred. The face amount of debt issued is reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

**Fund Balance**

Fund balance classifications comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned and unassigned:

- **Nonspendable** - this component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories. On the governmental funds balance sheet, the inventory balance reported is offset by a nonspendable fund balance classification which indicates it does not constitute "available spendable resources" even though it is a component of net current position.
- **Restricted** - this component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.
- **Committed** - this component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (i.e., by ordinance) of the organization's governing authority (the City Commission). These committed amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by taking the same type of action employed to constrain those amounts.
- **Assigned** - this component of fund balance consists of amounts that the City intends to use for a specific purpose as determined by the City Commission in accordance with the City's fiscal policies. In addition, residual balances in capital projects and debt service funds are considered assigned for the general purpose of the respective fund.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

- **Unassigned** - this classification is used for: (a) deficit unrestricted fund balances in any governmental fund; or (b) fund balances within the general fund that are not restricted, committed or assigned. When both restricted and unrestricted resources are available for use, it is generally the practice of the City to use restricted resources first, then unrestricted resources as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use in any governmental fund, it is the City's practice to use committed resources first, then assigned, and then unassigned as needed.

**Net Position**

Net position invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position invested in capital assets, net of related debt excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations.

Net position not reported as net position invested in capital assets, net of related debt or restricted net position, are reported as unrestricted net position. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as needed.

**Deferred Outflows, Deferred Inflows, and Net Position**

In addition to assets and liabilities, the government wide statement of net position reports a separate section for *deferred inflows of resources* reported on applicable governmental fund types represent revenues which are measurable but not available in accordance with the modified accrual basis of accounting. The deferred inflows will be recognized as revenue in the fiscal year they are earned or become available. *Deferred outflows of resources* represent consumption of net position that is applicable to a future reporting period. Deferred outflows have a positive effect on net position, similar to assets.

***Pension and OPEB Related***—Pension and OPEB Related Deferred Inflows and Outflows represent the difference between expected and actual experience with regard to economic or demographic factors and changes to assumptions in the measurement of total pension and OPEB liability, and the differences between expected and actual earnings on pension plan investments, and changes in the City's proportionate share of pension contributions. These amounts are reported as deferred inflows or outflows of resources, to be recognized in expense over time. Also included in deferred outflows are amounts contributed to the pension plans subsequent to the measurement date. See Note 10 and Note 11 for more information on Pension Related Deferred Inflows and Outflows and OPEB Related Deferred Inflows and Outflows.

***Unavailable Revenues***—Unavailable revenues are revenues which are measurable, but not available because they have not been received within the City's period of availability. These revenues are deferred and recorded as deferred outflows of resources in governmental funds financial statements.



**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 1 - Summary of Significant Accounting Policies (Concluded)**

**Postemployment Benefits Other than Pension Benefits (OPEB)**

The City participates and administers a single-employer plan under which qualified retired employees are permitted to participate in the health, dental, vision, and life insurance benefits program. Additional information on the City's OPEB liability can be found in Note 10.

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America as applied to governmental units, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

**Budgets and Budgetary Accounting**

The City, in accordance with its charter and state law, adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

Prior to August 15, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are held to obtain taxpayer comments.

Prior to October 1, the budget is legally enacted through passage of an ordinance.

Budgetary control is maintained at the departmental and fund level, with finance department providing support to departments in the administration of their budgets. In accordance with the City's budget transfer policy, the City Manager is authorized to transfer budgeted amounts within any fund or function; however, the City Commission must approve any supplemental appropriations or revisions that amend the total expenditures of any fund. During the year, supplementary appropriations were necessary to ensure that expenditures did not exceed budgeted appropriations.

All budgets are on a basis consistent with accounting principles generally accepted in the United States of America.

Budgeted amounts are as originally adopted, or as amended in accordance with City ordinances. The accompanying financial statements incorporate the original budget ordinances.

All annual appropriations lapse at fiscal year-end.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 2 - Cash, Cash Equivalents, and Investments**

Deposits and investments as of September 30, 2019, are classified in the accompanying financial statements as follows:

Statement of Net Position:		
Cash and Cash Equivalents	\$	4,738,044
Total Cash and Cash Equivalents		4,738,044
Restricted:		
Cash and Investments		4,410,871
Total Cash and Investments	\$	9,148,915

**Deposits**

All of the City's cash deposits are held in banks that qualify as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledged level. The pledging level may range from 25% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. In the event of default by a qualified public depository, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Therefore, all cash and time deposits held by banks are fully insured and collateralized.

**Investments**

Following are the investments, credit ratings and maturities of the City's governmental and business-type activities at September 30, 2019:

	Carrying Amount	Credit Rating	Maturity
Certificates of Deposit	\$ 506,272	N/A	<180 days
Externally Managed Portfolio Cantella	1,479,391	N/A	N/A
Total Investment	\$ 1,985,663		

As of September 30, 2019, the value of the General Employees' Retirement Savings Plan's investment with their respective credit ratings, were as follows:

	Carrying Amount	Credit Rating	Maturity
Externally Managed Portfolio			
American Funds	\$ 7,757,821	N/A	N/A
Total Externally Managed Portfolio	\$ 7,757,821		

General Employees' Pension Funds are invested with American Funds which is considered a mutual fund.

**CITY OF QUINCY, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2019**

**Note 2 - Cash, Cash Equivalents, and Investments (Concluded)**

As of September 30, 2019, the value of the City's deposits and investments in the Police and Fire Supplemental activities, with their respective credit ratings, were as follows:

	<u>Cost Amount</u>	<u>Carrying Amount</u>	<u>Credit Rating</u>	<u>Maturity</u>
<b>Externally Managed Portfolio</b>				
<b>Cash and Equivalents:</b>				
Salem Trust-	\$ 242,840	\$ 242,840	N/A	N/A
<b>Mutual Funds:</b>				
Fixed Income	1,733,689	1,780,530	AAA	N/A
Equity	4,225,508	4,940,556	AAA	N/A
Real Estate	700,000	731,469	AAA	N/A
<b>Total Externally Managed Portfolio</b>	<u>\$ 6,902,037</u>	<u>\$ 7,695,395</u>		

*Credit Risk-* The City's Investment Policy limits credit risk by restricting authorized investments to the following: Local Government Surplus Funds Trust Fund, State direct obligations of the United States or its agencies and instrumentalities, direct obligations of states and municipalities, repurchase agreements, commercial paper, bankers' acceptances, and money market mutual funds.

*Interest Rate Risk-* Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of investments. The City manages interest rate risk by setting the range of duration for the City's portfolio as .5 years to 2.5 years, with a five-year average of 1.5 years. The effective duration of investments is listed in the preceding table

*Custodial Credit Risk-* Custodial credit risk is the risk that, in the event of a bank failure or the failure of the counterparty, the government's deposits may not be returned to it, or may not be able to recover the value of its investments that are in the possession of an outside party. The City generally utilizes third party custodians to help manage custodial credit risk. Custodians are primarily bank trust departments, insurance companies, and brokerage firms.

*Concentration of Credit Risk-* The City's investment policy requires diversification of investments in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. All of the City's investments are in external investment pools.

The City's deposits are, therefore, considered fully insured or collateralized. Cash balances at September 30, 2019, were \$4,738,044 and restricted cash (exclusive of externally managed portfolio) of \$3,177,164. Due to the nature of the City's cash and investments, there is no exposure to credit risk, interest rate risk, custodial credit risk or concentration of credit risk.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 3 - Restricted Assets**

Various restrictions on deposits and investments are summarized below:

Restricted Cash and Investments:

Smart Grid Cash from Bond Issue	\$ 1,547,182
Cash with Fiscal Agent (Series 2003 Bond)	881,204
Cash Held for Debt Service (Series 2003 Bond)	77,401
Cash Held for Debt Service SRF Loan	131,442
Cash Held for Debt Service Drinking Loan	768,969
Cash Held for Rate Stabilization	300,329
Financial Assurance Landfill Closure	47,111
Total Restricted Cash and Investments	<u>\$ 3,753,638</u>

**Business Type Activities**

Restricted for debt service represents cash and cash equivalents (a) held by paying agents as required by Utility System Improvement and Refunding Revenue Bonds, Series 2003, \$881,204, other debt of \$77,401 (b) amounts restricted for payments of drinking water loan, \$768,969; and amounts restricted for a State Revolving Loan for Sewer, \$131,442 (c) funds required to be restricted for debt service under the terms of the 2011 Series Capital Improvement Bond and Loan Covenants, \$1,547,182.

The City is required to establish a landfill escrow account in compliance with the financial assurance requirements of Section 62-701.630 of the Florida Administrative Code. This rule requires the City to annually deposit funds in an interest-bearing escrow account for the purpose of funding the estimated landfill closure and post closure costs of the City's landfill.

The amount to be deposited into the Escrow Account is based on financial cost assurance cost estimates made annually by a Registered Professional Engineer. The City has closed the landfill. The City was also able to document that the Landfill had not taken any class II garbage in the past nineteen (19) years and as a result the City has been given credit for the past monitoring. The latest estimates prepared by the City's contracted engineers of \$282,665 for post closure care costs, were filed with the Florida Department of Environmental Protection on November 22, 2019. The amount was based on an estimated annual monitoring expense of \$47,111 multiplied by the number of years the City is required to monitor the closed landfill. Since the entire landfill site is now closed, the post closure care cost requirement is applicable. The restricted cash of \$47,111 is sufficient for monitoring requirements.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 4 - Inventory**

Inventory at September 30, 2019, consists of the following:

Electric Utility Supplies	\$ 235,303
Water, Wastewater, and Gas Supplies	63,655
Total	\$ 298,958

**Note 5 - Receivables**

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities		Proprietary Fund Activities	
	General	Water	Electric	Waste Water
	Accounts Receivable	\$ 127,119	\$ 459,842	\$ 2,625,771
Less Allowance for Bad Debt	0	(112,960)	(648,642)	(108,815)
Net Accounts Receivable	\$ 127,119	\$ 346,882	\$ 1,977,129	\$ 337,179

	Proprietary Fund Activities			Total
	Gas	Refuse	Landfill	
Accounts Receivable	\$ 220,400	\$ 279,460	\$ 14,240	\$ 4,172,826
Less Allowance for Bad Debt	(55,100)	(69,865)	0	(995,382)
Net Accounts Receivable	\$ 165,300	\$ 209,595	\$ 14,240	\$ 3,177,444

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 6 - Capital Assets**

	Balance September 30, 2018	Increase	Decrease	Balance September 30, 2019
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 4,606,224	\$ 0	\$ 0	\$ 4,606,224
Total Capital Assets, Not Being Depreciated	4,606,224	0	0	4,606,224
Capital Assets, Being Depreciated:				
Building and Improvements	5,704,080	0	0	5,704,080
Improvements other than Buildings	10,684,059	316,241	0	11,000,300
Infrastructure	6,779,638	136,238	0	6,915,876
Equipment and Other	6,970,671	388,161	0	7,358,832
Total Capital Assets, Being Depreciated	30,138,448	840,641	0	30,979,089
Less Accumulated Depreciation for:				
Buildings and Improvements	(5,150,418)	(292,256)	0	(5,442,674)
Improvements other than Buildings	(10,832,294)	(215,223)	0	(11,047,517)
Infrastructure	(6,332,500)	(21,116)	0	(6,353,616)
Equipment and Other	(6,580,243)	(67,966)	0	(6,648,209)
Total Accumulated Depreciation	(28,895,455)	(596,561)	0	(29,492,016)
Total Capital Assets, Being Depreciated, Net	1,242,993	244,080	0	1,487,073
<b>Total Governmental Capital Assets, Net</b>	<b>\$ 5,849,217</b>	<b>\$ 244,080</b>	<b>\$ 0</b>	<b>\$ 6,093,297</b>
<b>Business-Type Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,666,353	\$ 0	\$ 0	\$ 1,666,353
Total Capital Assets, Not Being Depreciated	1,666,353	0	0	1,666,353
Capital Assets, Being Depreciated				
Buildings	25,363,949	0	0	25,363,949
Utility, Plant Equipment and Improvements	19,926,208	293,682	0	20,219,890
Infrastructure	1,874,362	1,610,434	0	3,484,796
Equipment and Other	4,763,107	425,106	0	5,188,213
Total Capital Assets, Being Depreciated	51,927,626	2,329,222	0	54,256,848
Less Accumulated Depreciation for:				
Buildings	(18,461,413)	(732,064)	0	(19,193,477)
Utility, Plant Equipment and Improvements	(12,224,054)	(570,364)	0	(12,794,418)
Equipment and Other	(3,712,890)	(235,915)	0	(3,948,805)
Total Accumulated Depreciation	(34,398,357)	(1,538,343)	0	(35,936,700)
Total Capital Assets, Being Depreciated, Net	17,529,269	790,879	0	18,320,148
<b>Total Business-Type Capital Assets, Net</b>	<b>\$ 19,195,622</b>	<b>\$ 790,879</b>	<b>\$ 0</b>	<b>\$ 19,986,501</b>
<b>Depreciation expense was charged to governmental functions as follows:</b>				
General Government				\$ 225,037
Public Safety				201,700
Transportation				135,423
Culture and Recreation				33,640
Economic Development				547
Physical Environment				214
<b>Total</b>				<b>\$ 596,561</b>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 7 - Long Term Debt**

	September 30, 2018	Additions	Reductions	September 30, 2019
<b>Governmental Funds:</b>				
<b>General Fund:</b>				
Capital Improvement Refunding Revenue Bond 2012	\$ 2,904,000	\$ 0	\$ 288,000	\$ 2,616,000
Honeywell Lease (Gov't Portion)	86,576	0	45,339	71,237
Equipment Loan Police Cars	25,918	0	25,918	0
Compensated Absences	156,213	40,454	0	196,667
Net Pension Liability	2,803,873	0	6,021	2,797,852
Other Post Employment Benefits Liability	8,012,482	0	187,714	7,824,768
<b>Total General Fund Debt</b>	<u>13,989,062</u>	<u>40,454</u>	<u>522,992</u>	<u>13,506,524</u>
<b>Total Governmental Activities Long Term Debt</b>	<u>13,989,062</u>	<u>40,454</u>	<u>522,992</u>	<u>13,506,524</u>
<b>Business-Type Activities:</b>				
<b>Electric Fund:</b>				
Utility System Series 2003 Bonds	2,755,000	0	167,500	2,587,500
Utility System Series 2011 Bonds	3,196,400	0	103,700	3,092,700
Honeywell Lease (Electric Portion)	415,566	0	73,627	341,939
Capital City Bank Line of Credit	0	2,980,330	0	2,980,330
Compensated Absences	68,505	17,962	0	86,467
<b>Total General Long Term Debt: Electric Fund</b>	<u>6,435,471</u>	<u>2,998,292</u>	<u>344,827</u>	<u>9,088,936</u>
<b>Water Fund:</b>				
Utility System Series 2003 Bonds	1,377,500	0	83,750	1,293,750
Utility System Series 2011 Bonds	681,200	0	22,100	659,100
State Revolving Loan - Project No. DW2006010	3,030,250	0	171,199	2,859,051
Honeywell Lease (Water Portion)	129,864	0	23,008	106,856
Compensated Absences	5,659	1,439	0	7,098
<b>Total General Long Term Debt: Water Fund</b>	<u>5,224,473</u>	<u>1,439</u>	<u>300,057</u>	<u>4,925,855</u>
<b>Sewer Fund:</b>				
Utility System Series 2003 Bonds	1,377,500	0	83,750	1,293,750
Utility System Series 2011 Bonds	681,200	0	22,100	659,100
State Revolving Loan - Project No. CS12064407P	431,231	0	212,873	218,358
State Revolving Loan - Project No. 200100	383,438	0	22,633	360,805
State Revolving Loan - Project No. 641090	380,962	0	107,827	273,135
Honeywell Lease (Sewer Portion)	233,756	0	41,415	192,341
Compensated Absences	5,918	1,521	0	7,439
<b>Total General Long Term Debt: Sewer Fund</b>	<u>3,494,005</u>	<u>1,521</u>	<u>490,598</u>	<u>3,004,928</u>
<b>Gas Fund:</b>				
Utility System Series 2011 Bonds	681,200	0	22,100	659,100
Compensated Absences	14,727	1,128	0	15,855
<b>Total General Long Term Debt: Gas Fund</b>	<u>695,927</u>	<u>1,128</u>	<u>22,100</u>	<u>674,955</u>
<b>Landfill Fund:</b>				
Compensated Absences	3,339	894	0	4,233
Estimated Landfill Closure and Post Closure	322,678	0	40,013	282,665
<b>Total General Long Term Debt: Landfill Fund</b>	<u>326,017</u>	<u>894</u>	<u>40,013</u>	<u>286,898</u>
<b>Internal Service Fund:</b>				
Compensated Absences	0	5,430	0	5,430
<b>Total General Long Term Debt: Internal Service Fund</b>	<u>0</u>	<u>5,430</u>	<u>0</u>	<u>5,430</u>
<b>Total Business-type Activities Long Term Debt</b>	<u>\$ 16,175,893</u>	<u>\$ 3,008,704</u>	<u>\$ 1,197,595</u>	<u>\$ 17,987,002</u>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 7 - Long Term Debt (Continued)**

	<u>September 30,</u> <u>2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>September 30,</u> <u>2019</u>	<u>Due</u> <u>Within</u> <u>One</u> <u>Year</u>
<b>Governmental Activities:</b>					
<b>Bonds:</b>					
Capital Improvement Refunding Revenue Bond 2012	\$ 2,904,000	\$ 0	\$ 288,000	\$ 2,616,000	\$ 305,000
<b>Capitalized Leases:</b>					
Honeywell Lease (Gov't Portion)	86,576	0	15,339	71,237	17,042
<b>Notes Payable:</b>					
Equipment Loan Police Cars	25,918	0	25,918	0	0
<b>Compensated Absences</b>	156,213	40,454	0	196,667	49,167
<b>Net Pension Liability</b>	2,803,873	0	6,021	2,797,852	0
<b>Other Post Employment Benefits Liability</b>	8,012,482	0	187,714	7,824,768	0
<b>Total Governmental Activities Debt</b>	<u>13,989,062</u>	<u>40,454</u>	<u>522,992</u>	<u>13,506,524</u>	<u>372,209</u>
<b>Business-Type Activities:</b>					
<b>Bonds:</b>					
Utility System Series 2003 Bonds	5,510,000	0	335,000	5,175,000	345,000
Utility System Series 2011 Bonds	5,240,000	0	170,000	5,070,000	180,000
<b>Notes Payable:</b>					
State Revolving Loan - Project No. DW2006010	1,030,250	0	171,199	2,859,051	176,140
State Revolving Loan - Project No. CS12064107P	431,231	0	212,873	218,358	218,358
State Revolving Loan - Project No. 200100	383,438	0	22,633	360,805	22,633
State Revolving Loan - Project No. 641090	380,962	0	107,827	273,135	0
Capital City Bank Line of Credit	0	2,980,330	0	2,980,330	0
<b>Capitalized Leases:</b>					
Honeywell Lease (Sewer Portion)	233,756	0	41,415	192,341	46,015
Honeywell Lease (Electric Portion)	415,566	0	73,627	341,939	81,804
Honeywell Lease (Water Portion)	129,864	0	23,008	106,856	25,564
<b>Estimated Landfill Closure and Post Closure</b>	322,678	0	40,013	282,665	47,111
<b>Compensated Absences</b>	98,148	28,374	0	126,522	31,631
<b>Total Business-Type Activities Debt</b>	<u>\$ 16,175,893</u>	<u>\$3,008,704</u>	<u>\$1,197,595</u>	<u>\$ 17,987,002</u>	<u>\$1,174,256</u>



**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 7 – Long Term Debt (Continued)**

**Long Term Debt – Governmental Activities**

**\$4,507,000 City of Quincy, Florida Capital Improvement Refunding Revenue Bond Series 2012**

Series 2012 Bond: Dated December 28, 2012, with a maturity date of June 1, 2027. The fixed interest rate is 2.3%. Payments of principal and interest are due on June 1, and interest only due December 1. The first payment starts June 1, 2017, and continues until maturity on June 1, 2027.

The Series 2012 bond is declared to be a special, limited obligation of the issuer, secured solely by the pledged revenues, and shall not be or constitute a general obligation or indebtedness of the City. Neither the Series 2012 Bond nor the loan agreement shall constitute a "bond" of the issuer within the meaning of Article VII, Section 12, Florida Constitution (1968). The bonds are payable from and secured by a pledge of and lien upon the combined funds collected by the State of Florida and remitted to the City such as; (1) Guaranteed Entitlement Revenues, (2) Local Communication Service Tax Revenues, and (3) Half-Cent Sales Tax Revenues and certain funds and accounts created by the City. The bonds are subject to mandatory redemption in part prior to maturity by lot, at redemption prices equal to 100% of the principal amount thereof plus accrued interest to the date of redemption. The principal amount designated in each year for mandatory redemption constitutes the amortization installments.

These bonds require the creation and establishment of a Debt Service Fund. On a monthly basis the city will transfer Pledged Revenues from the Revenue Fund to the Debt Service Fund to provide for the payment of debt service on the Series 2012 bonds. The Debt Service Fund and the portion of the Revenue Fund allocated to pay debt service on the Series 2012 Bonds will be used primarily to achieve a proper matching of pledged Revenues and debt service on the Series 2012 Bonds within each bond Year. Amounts deposited in such accounts allocated to the payment of debt service on the Series 2012 Bonds will be depleted at least once a year except for a reasonable carryover amount not to exceed the greater of the earning on such a fund for the immediately preceding Bond Year, or one-twelfth of the debt service on the Series 2012 Bonds for the immediately preceding bond year.

These funds are accounted for under the Debt Service Fund. As of September 30, 2019, the City had a balance of \$155,786, and transferred \$420,000, the required debt service payments to the Debt Service Fund.

**Equipment Loans and Capital Lease Obligations**

Capital lease obligations relate to the acquisition of several vehicles with annual interest rates ranging from 5% to 6.6%. the balance of the Governmental portion of equipment loans was paid off in 2019. In addition, Honeywell's high efficiency HVAC and lighting upgrades throughout the City represents the remaining capital lease obligations. The balance of lease payables (including the Governmental portion of \$71,237) as of September 30, 2019 is \$712,373. The lease is payable in thirty semi-annual installments on January 1 and July 1, of which annual lease payments are due through July 1, 2023, in accordance with the payment schedule per agreement.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 7 – Long Term Debt (Continued)**

**Long Term Debt – Business-type Activities**

Long-term debt of the City's business-type activities, excluding compensated absences, estimated landfill post-closure costs, and capitalized leases, consists of the following:

**\$8,890,000 City of Quincy, Florida Utility System Improvement and Refunding Revenue Bonds Series 2003. (the Series 2003 Bonds)**

The City issued the Series 2003 Bonds for the purpose of refunding the utility system parity revenue Bonds Series 1986, to finance the acquisition and construction of various capital improvements to the City's water, electric and sewer systems, to finance the acquisition and construction of capital improvements to the City's fiber optics/broadband telecommunications system, and to fund the Reserve Account. The Series 2003 Utility Bonds are payable solely from and secured by a pledge of the net revenues of the City's Utility System. The Series 2003 Utility Bonds principal amounts, maturities and interest rates by lot are as follows:

\$1,845,000	5.0% Term Bonds Due October 1, 2023
\$3,060,000	5.0% Term Bonds Due October 1, 2029
\$ 605,000	5.0% Term Bonds Due October 1, 2030

The Bond was issued with an original issue discount of \$118,802. The Bond Resolution created and established numerous funds and accounts including the Water System Revenue Fund, the Sewer System Revenue Fund, the Electric System Revenue Fund, the Gas System Revenue Fund, the Fiber Optic Revenue Fund, the Debt Service Fund, the Utility System Reserve Fund with the composite reserve account therein. It also required the establishment of a Utility System Renewal and Replacement Fund and the Utility System Rate Stabilization Fund. The Bond requires monthly transfers to the Debt Service Fund, the Utility System Reserve Fund, the Utility System Renewal and Replacement Fund and the Utility System Rate Stabilization Fund. All bond payments were made in a timely manner. During the year the City transferred the assets and the balance of the Series 2002 Bonds that were recorded in the Internal Service fund to the Electric Fund. Balance at September 30, 2019: Electric Fund \$2,587,500, Water Fund \$1,293,750, Sewer Fund \$1,293,750 for a total balance at September 30, 2019 of \$5,175,000.

The Series 2003 Bonds are payable solely from and secured by a pledge of the net revenues of the City's utility system. The Series 2003 Utility Bonds are subject to redemption prior to their stated dates of maturity at redemption prices equal to 100% of the principal amount thereof plus accrued interest to the date of redemption.

**\$6,000,000 City of Quincy, Florida Utility System Revenue Bonds Series 2011 (the Series 2011 Utility Bonds)**

The \$6.00 million Series 2011 Utility Bonds were issued in May 2011, to finance the acquisition and construction of various capital improvements to the City's utility systems. The Project consists of utilization of existing fiber assets to deploy an Advanced Metering Infrastructure (AMI) system, upgrade the electric distribution system including the addition of monitoring devices, Supervisory Control and Data Acquisition (SCADA) and load control systems; adjusting the distribution system for the retrofit of seven substation reclosers and twenty-one substation regulators controllers for voltage control along with thirty-six motor operators for the distribution GOAB switches and six switched capacitors; those capital improvement projects previously approved and other capital improvements to the utility system allowed by law and approved by the City Commission.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 7 – Long Term Debt (Continued)**

The Bond Resolution created and established numerous funds and accounts including the Water System Revenue Fund, the Sewer System Revenue Fund, the Electric System Revenue Fund, the Gas System Revenue Fund, the Fiber Optic Revenue Fund the Debt Service Fund, the Utility System Reserve Fund with the composite reserve account therein. It also required the establishment of a Utility System Renewal and Replacement Fund and the Utility System Rate Stabilization Fund. The Bond requires monthly transfers to the Debt Service Fund, the Utility System Reserve Fund, the Utility System Renewal and Replacement Fund and the Utility System Rate Stabilization Fund.

The Series 2011 Utility Bonds are payable solely from and secured by a prior lien on the net revenues of the following combined sources of the City: net revenue of the System and until expended, the moneys on deposit in the funds and accounts created by the Resolution. The lien on the net revenues of the series 2011 bonds will be on parity with the lien on the City's outstanding \$8.890 million Utility System Improvement and Refunding Revenue bonds, series 2003.

The Balance on September by fund: Electric Fund \$3,092,700, Water Fund \$659,100, Sewer Fund \$659,100, Gas Fund \$659,100 for a total balance on September 30, 2019 of \$5,070,000.

**Drinking Water State Revolving Loan Note from Florida Department of Environmental Protection FDEP (Project DW2006010) (CFDA 66.468)**

The loan was issued in an amount up to \$6,277,772 for the construction of water supply and transmission facilities which bears an annual interest of 2.33% and payable in 40 semiannual payments of \$213,246 including interest, every June 15 and December 15 of each year, starting June 15, 2003 through June 15, 2023, collateralized by revenues from the operation of the water and sewer systems. The Outstanding Balance at September 30, 2019 was \$2,859,051.

**State Revolving Loan Note from FDEP (CS12064107P)**

The loan was issued in an amount up to \$3,466,732, for a waste water treatment plant upgrade bearing annual interest at 2.56% payable in semi-annual payments of \$111,279 including interest starting March 15, 2001 through September 15, 2020, collateralized by revenues from the operation of the water and sewer systems. Outstanding Balance at September 30, 2019 was \$218,358.

**State Revolving Loan Note from FDEP (200100) (CSFA 37.077)**

The loan has an original award date of February 11, 2016, with an award amount of up to \$564,488, of which the City borrowed \$480,291 during the year. The proceeds were used for a waste water treatment plant upgrade. The interest rate is 6.05%. The loan is currently set at forty semi-annual payments of \$22,362 scheduled to be made on March 15 and September 15. The first payment was scheduled to be made September 15, 2018. The Note is collateralized by revenues from the operation of the water and sewer systems. Outstanding Balance at September was \$360,805.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 7 – Long Term Debt (Concluded)**

**State Revolving Loan Note from FDEP (641090) (CFDA 66.458)**

The loan has an original award date of September 2, 2009, with an award amount of up to \$478,753, of which the City borrowed \$200,618 over the past five years. The proceeds were used for a waste water inflow infiltration correction. The interest rate is 1.07%. The Loan had capitalized interest of \$15,208. The loan is currently set for semi-annual payments of \$15,734 scheduled to be made on May 15 and November 15. The first payment was scheduled to be made May 15, 2018. The note is collateralized by revenues from the operation of the water and wastewater systems. The Outstanding Balance at September 30, 2019 was \$273,135.

**\$3,00,000 Capital City Bank Line of Credit for Hurricane Michael Repairs and Improvements**

The City obtained a line of credit for \$3,000,000 on January 10, 2019. The proceeds were used to fund repairs associated with the aftermath of Hurricane Michael. The loan has a fixed interest rate of 3.59%. Interest payments are due semi-annually on June 1 and December 1, beginning on June 1, 2019. The loan is interest only payments until January 10, 2022. The note is collateralized by revenues from the utility system.

**Equipment Loans and Capital Lease Obligations**

Capital lease obligations relate to the acquisition of several vehicles with annual interest rates ranging from 5% to 6.6%. In addition, Honeywell's high efficiency HVAC and lighting upgrades throughout the City represents the remaining capital lease obligations. The net book value of these assets under capital leases as of September 30, 2019 is \$1,590,173. The lease is payable in thirty semi-annual installments on January 1, and July 1, of which annual lease payments are due through July 1, 2023, in accordance with the payment schedule per agreement.

**Debt Service Requirements**

The annual requirements to amortize all long-term debt outstanding at September 30, 2019, other than the liability for accumulated vacation and sick leave, is as follows:

Year Ending September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2020	323,042	63,279	1,095,787	617,312
2021	330,114	55,437	737,435	573,334
2022	335,964	47,408	765,604	541,263
2023	340,117	39,261	779,651	508,013
2024-2028	1,358,000	78,867	5,248,885	2,038,518
2029-2033	0	0	6,077,950	850,483
<b>Total</b>	<b>\$ 3,016,494</b>	<b>\$ 354,886</b>	<b>\$ 15,755,067</b>	<b>\$ 5,787,605</b>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 8 - Contingencies and Commitments**

**Electric Purchase Contract**

During the fiscal year 2017, the City had purchase power contract with the U.S. Department of Energy, Southern Power Administration (SEPA) and with Florida Power and Light (FP&L). Under the terms of these contracts, in the given month the City purchased 8,400 kilowatts of its capacity from SEPA and the remainder of its capacity from FP&L. The City's contract with SEPA is an ongoing contract which can be terminated by either party by giving a two-year advance notice. The City entered into an eight-year agreement with Florida Power and Light beginning January 1, 2016. The City may elect to terminate early on December 31, 2021. For the year ended September 30, 2019, the City purchased electric capacity totaling \$7,076,035.

**Gas Supply Contract**

The City has an existing gas supply contract with the Municipal Gas Authority of Georgia (the "Authority") through December 31, 2025. Under the terms of the original contract including supplemental contracts, the Authority is obligated to establish a fair and non-discriminatory pricing mechanism designed to recover all of the costs for such services and maintain, to the extent practical, relative comparative pricing in a manner consistent in the industry. The City must establish, maintain and collect rates and charges, to be able to pay all amounts payable to the Authority including but not limited to (a) cost of gas supplies provided to the City and costs allocated to the City under the Annual Authority Budget and Project Cost Projections; and (b) all other lawful charges against the City's gas revenue. In addition, the City is obligated not to suspend or discontinue any payments provided in the contract, until all obligations of the Authority for the furtherance of providing services to the City, have been fully paid. For the year ended September 30, 2019, the City purchased gas totaling \$732,847.

**Grant Programs**

The City participates in a number of federal and state grant programs. These programs are subject to financial and compliance audits by the grantors or their respective representatives. The possible disallowance of any item charged to the program or request for the return of any unexpended funds cannot be determined at this time. No provision, for any liability that may result has been made in the financial statements.

**Litigation**

The City is involved in pending lawsuits. Although the outcome of these lawsuits is not presently determined, in the opinion of management and the City's Attorney, potential claims from litigation against the City which are not covered by insurance, would not materially affect the financial position of the City.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 8 - Contingencies and Commitments (Concluded)**

**Accounting for Municipal Landfill Closure and Post Closure Care Costs**

At September 30, 2019, the City's total liability for landfill closure and post-closure care costs was approximately \$282,665. The City was notified by Florida Department of Environmental Protection (FDEP) that the Quincy-Byrd Landfill was determined to be closed.

The current liability is based on annual monitoring costs of \$47,111 for a period of six years. The liability was reduced by the annual monitoring expenses estimated. The City is required by state and federal laws and regulations to make annual deposits in an interest-bearing escrow account to cover one year of post closure care costs of \$47,111. Cash deposited in the escrow account was \$47,111.

**Permit to Operate Sewer System**

The City is operating its Sewer system under a permit from the Florida Department of Environmental Protection (FL0029033-Major). This permit is issued under the provisions of Chapter 403, Florida Statutes (F.S.), and applicable rules of the Florida Administrative Code (F.A.C.) and constitutes authorization to discharge to waters of the state under the National Pollutant Discharge Elimination System. The permit is accompanied by an Administrative Order, pursuant to paragraphs 403.088(2)(e) and (f), Florida Statutes.

Compliance with Administrative Order, AO058NWD is a specific requirement of the permit. The City filed a one hundred and eighty (180) day permit renewal application before the August 19, 2017, sewer permit expiration date to continue to operate the sewer facilities. The City's 180-day permit renewal application provides an automatic extension to continue operations of the Sewer system facility, until the five (5) year renewal permit is issued.

**Note 9 - Retirement Savings Plan (RSP)**

The Retirement Savings Plan (RSP) of the City is a defined contribution pension plan established to provide benefits to employees upon retirement. The City is required to contribute an amount equal to 12% of the base pay of each eligible employee. Plan provisions and contribution requirements are established and may be amended by the City. During the fiscal year September 30, 2019, the City contributed \$436,844 for eligible employees.

**Note 10 – General Information About the OPEB Plan**

*Plan Description:*

The City of Quincy's Retiree Health Care Plan (Plan) is a single-employer defined benefit postemployment health care plan that covers eligible retired employees of the City.

The Plan, which is administered by the City, allows employees who retire and meet retirement eligibility requirements under one of the City's retirement plans to continue medical insurance coverage as a participant in the City's plan. The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of September 30, 2019. For purposes of applying Paragraph 4 under Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the Plan does not meet the requirements for an OPEB plan administered through a trust. All amounts have been determined on the same basis as they are reported by the City.

**CITY OF QUINCY, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2019**

**Note 10 – General Information About the OPEB Plan (Continued)**

*Employees Covered by Benefit Terms:*

At September 30, 2018, the following employees were covered by the benefit terms:

Inactive Plan Members, or Beneficiaries Currently Receiving Benefits	35
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	87
	122

*Benefits Provided:*

The City pays 100% of the retiree's monthly medical premium before and after age 65. The retiree must pay the full premium for eligible dependent coverage. Retirees are covered for their lifetime and eligible dependents are also covered for their lifetime as long as they continue to pay the premium.

Retirees participating in the dental insurance plans offered by the City are required to contribute 100% of the Active premiums. As such, the projected employee premiums for the dental program are assumed to cover the entire cost of the program.

**TOTAL OPEB LIABILITY**

The measurement date is September 30, 2018.

The measurement period for the OPEB expense was October 1, 2017 to September 30, 2018.

The reporting period is October 1, 2018 through September 30, 2019.

The City's Total OPEB Liability was measured as of September 30, 2018.

*Actuarial Assumptions:*

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2017, updated to September 30, 2018, using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	4.00%
Discount Rate	4.18%
Initial Trend Rate	8.50%
Ultimate Trend Rate	4.00%
Years to Ultimate	55

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 10 – General Information About the OPEB Plan (Continued)**

All mortality rates were based on the RP-2000 mortality tables. All mortality rates are those outlined in Milliman's July 1, 2018 Florida Retirement System (FRS) valuation report.

Mortality – Active Lives:

For female lives, 100% of the Combined Healthy White-Collar table was used. For male (non-special risk) lives, a 50% Combined Healthy White-Collar table, 50% Combined Healthy Blue-Collar table blend was used. For male special risk lives, a 10% Combined Healthy White-Collar table, 90% Combined Healthy Blue-Collar table blend was used. All tables include fully generational adjustments for mortality improvements using improvement scale BB.

Mortality – Inactive Healthy Lives:

For female lives, 100% of the Annuitant White-collar table was used. For male (non-special risk) lives, a 50% Annuitant White-Collar table, 50% Annuitant Blue-Collar table blend was used. For male special risk lives, a 10% Annuitant White-Collar table, 90% Annuitant Blue-Collar table blend was used. All tables include fully generational adjustments for mortality improvements using improvement scale BB.

Mortality – Disabled Lives:

For female (non-special risk) lives, 100% of the Disabled Female table was used, set forward two years. For female special risk lives, a 60% Disabled Female table, 40% Annuitant White-Collar table with no setback blend was used. For male (non-special risk) lives, 100% of the Disabled Male table was used, set back four years. For male special risk lives, a 60% Disabled Male table, 40% Annuitant White-Collar table with no setback blend was used. Disabled mortality has not been adjusted for mortality improvement.

Discount Rate:

Given the City's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 4.18%. The high-quality municipal bond rate was based on the week closest but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.



**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 10 – General Information About The OPEB Plan (Continued)**

**CHANGE IN TOTAL OPEB LIABILITY**

	Increases and (Decreases) in Total OPEB Liability
Reporting Period Ending September 30, 2018	\$ 8,012,482
Changes for the Year:	
Service Cost	445,352
Interest	304,021
Differences between Expected and Actual Experience	0
Changes of assumptions	(723,993)
Changes of benefit terms	0
Contributions – Employer	0
Benefit Payments	(213,094)
Other Changes	0
Net Charges	(187,714)
Reporting Period Ending September 30, 2019	\$ 7,824,768

Changes in assumptions reflect a change in the discount rate from 3.64% for the reporting period ended September 30, 2018, to 4.18% for the reporting period ended September 30, 2019.

*Sensitivity of the Total OPEB Liability to changes in the Discount Rate:*

The following presents the Total OPEB Liability of the City, as well as what the City's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 3.18%	Current Discount Rate 4.18%	1% Increase 5.18%
Total OPEB Liability (Asset)	\$9,244,571	\$7,824,768	\$6,703,246

*Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates:*

The following presents the Total OPEB Liability of the City, as well as what the City's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 3.00%-7.50%	Healthcare Cost Trend Rates 4.00%-8.50%	1% Increase 5.00%-9.50%
Total OPEB Liability (Asset)	\$6,558,942	\$7,824,768	\$9,469,165

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 10 – General Information About The OPEB Plan (Concluded)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** For the year ended September 30, 2019, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 0	\$ 0
Changes in Assumptions		1,292,119
Employer Contributions Subsequent to the Measurement Date	234,207	0
<b>Total</b>	<b>\$ 234,207</b>	<b>\$ 1,292,119</b>

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30,	
2020	\$ (173,097)
2021	\$ (173,097)
2022	\$ (173,097)
2023	\$ (173,097)
2024	\$ (173,097)
Thereafter	\$ (426,634)

**Note 11- Police and Firemen’s Supplemental Pension Plan**

*Plan Administration*

The Plan is a single-employer defined benefit pension plan administered by the Plan’s Board of Trustees comprised of: Five Members, two of whom, unless prohibited by law shall be legal residents of the municipality, who shall be appointed by the legislative body of the city and one Member of the Board shall be a police officer as defined in F.S. & 185.02 and one Member shall be a firefighter as defined in F.S. & 175.032, respectively, elected by a majority of the active firefighters and police officers who are Members of the plan. The fifth Member shall be chosen by a majority of the previous four Members as provided for herein, and such person’s name shall be submitted to the legislative body of the city.

Plan Membership as of October 1, 2018:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	38
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	23
Active Plan Members	19
	<b>80</b>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 11- Police and Firemen's Supplemental Pension Plan (Continued)**

*Benefits Provided*

The Plan provides retirement, termination, disability and death benefits.

Normal Retirement

Eligibility: Earlier of: 1) age 55 and 10 years of Credited Service, or 2) the completion of 25 years of Credited Service, regardless of age.

Benefit: 2.0% of Average Final Compensation through April 10, 2007 and 2.5% thereafter, times Credited Service.

Early Retirement

Eligibility: Age 50 and 10 years of Credited Service.

Benefit: Calculated in the same manner as for Normal Retirement, but reduced 3% per year that the Early Retirement Date precedes Normal Retirement.

Vesting

Less than 5 years of Service: Refund of Member Contributions, if any, with 5% interest.

5 years or more: Vested percentage of accrued benefit payable at otherwise Normal Retirement Date. Percentage determined as follows:

Credited Service	Percentage
5	50%
6	60%
7	70%
8	80%
9	90%
10	100%

Disability

Eligibility: Service Incurred Covered from Date of Employment.

Non-Service Incurred 10 years of Credited Service.

Benefit: Benefit accrued to date of disability but not less than 42% of Average Final Compensation (Service Incurred.)

Pre-Retirement Death Benefits

Hired before 12/31/99: A monthly income which can be provided by greater of

- (a) Single-sum value of accrued deferred monthly retirement income at date of death, or
- (b) The smaller of:
  1. 120 times Average Final Compensation at date of death, or
  2. 100 times anticipated monthly retirement income at normal retirement.

Hired after 12/30/99:

Vested Monthly accrued benefit payable to designated Beneficiary for life (with the first 120 payments guaranteed) at otherwise Normal Retirement Date.

Non-Vested Refund of accumulated contributions with interest.

Share Plan:

Adopted with ordinance 1086-2016. Currently, no Chapter 175 and 185 Premium Tax Monies are available for allocation

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 11- Police and Firemen's Supplemental Pension Plan (Continued)**

*Contributions*

Member Contributions: 7.5% of Salary.

City and State Contributions: Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

**Investments**

*Investment Policy*

The following was the Board's adopted asset allocation policy as of September 30, 2019:

Asset Class	Target Allocation
Domestic Equity	55%
International Equity	10%
Broad Market Fixed Income	20%
Fixed Income (Non-Core)	2.5%
Global Fixed Income	2.5%
Real Estate	10%
Total	100%

*Concentrations*

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

*Rate of Return:*

For the year ended September 30, 2019, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 4.61% percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Liability of the Sponsor**

The components of the Net Pension Liability of the Sponsor on September 30, 2019, were as follows:

Total Pension Liability	\$10,799,686
Plan Fiduciary Net Position	(8,001,834)
Sponsor's Net Pension Liability	<u>\$ 2,797,852</u>
Plan Fiduciary Net Position as a percentage of Total	

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 11- Police and Firemen's Supplemental Pension Plan (Continued)**

*Actuarial Assumptions*

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2019, updated to September 30, 2019, using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	4.00%
Discount Rate	7.40%
Investment Rate of Return	7.40%

*Mortality Rate Healthy Inactive Lives:*

Female: RP2000 Generational, 100% Annuitant white collar, Scale BB

Male: RP2000 Generational, 10% Annuitant white collar, 90% Annuitant Blue Collar, Scale BB

*Mortality Rate Healthy Active Lives:*

Female: RP2000 Generational, 100% Annuitant white collar, Scale BB

Male: RP2000 Generational, 10% Annuitant white collar, 90% Annuitant Blue Collar, Scale BB

*Mortality Rate Disabled Lives:*

Female: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no Setback, no projection scale

Male: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

The most recent actuarial experience study used to review the other significant assumptions was dated July 30, 2013.

**Long-Term Expected Rate of Return:** The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2019 the inflation rate assumption was 2.50%. These ranges are combined to produce the Long Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 11- Police and Firemen's Supplemental Pension Plan (Continued)**

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2019, are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	7.50%
International Equity	8.50%
Broad Market Fixed Income	2.50%
Fixed Income (Non-Core)	2.50%
Global Fixed Income	3.50%
Real Estate	4.50%

Discount Rate: The discount rate used to measure the Total Pension Liability was 7.40%. The projection of cash flows used to determine the discount rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

**Sensitivity of the Net Pension liability to Changes in the Discount Rate**

	<u>1% Decrease 6.40%</u>	<u>Current Discount Rate 7.40%</u>	<u>1% Increase 8.40%</u>
<b>Sponsor's Net Pension Liability</b>	\$3,933,137	\$2,797,852	\$1,842,029

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

	9/30/2019
<b>Total Pension Liability</b>	
Service Cost	\$ 81,950
Interest	776,543
Change in Funding Standard Account	0
Changes of Benefit Terms	(544)
Differences between Expected and Actual Experience	(73,448)
Changes of Assumptions	102,628
Benefit Payments, including Refunds of Employee Contributions	(719,893)
Net Change in Total Pension Liability	167,236
Total Pension Liability-Beginning	10,632,450
Total Pension Liability-Ending (a)	\$ 10,799,686
 <b>Plan Fiduciary Net Position</b>	
Contributions-Employer	\$ 518,900
Contributions-State	0
Contributions-Employee	62,268
Net Investment Income	349,524
Benefit Payments, including Refunds of Employee Contributions	(719,893)
Administrative Expense	(37,542)
Net Change in Plan Fiduciary Net Position	173,257
Plan Fiduciary Net Position-Beginning	7,828,577
Plan Fiduciary Net Position-Ending (b)	\$ 8,001,834
 Net Pension Liability Liability-Ending (a)-(b)	\$ 2,797,852
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.09%
 Covered Payroll	\$ 830,241
Net Pension Liability as a Percentage of Covered Payroll	336.99%

**Change of Assumption**

For measurement date September 30, 2019 amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.50% to 7.40% per year compounded annually, net of investment related expenses.

For measurement date September 30, 2018 amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.75% to 7.50% per year compounded annually, net of investment related expenses.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 11- Police and Firemen's Supplemental Pension Plan (Concluded)**

For measurements dated September 30, 2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to assumptions used by the Florida Retirement System for special risk employees. The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption by Plan's investment consultant.

Final Pension Expense and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2019, the sponsor has recognized a Pension expense of \$529,669.

On September 30, 2019, the sponsor reported Deferred outflows or resources and Deferred inflows of Resources related to Pensions from the following sources:

**Schedule of Deferred Outflows and Deferred Inflows**

	Deferred Outflows of Resources	Deferred Inflows of resources
Differences between Expected and Actual Experiences	\$ 0	\$ 29,367
Change of Assumptions	125,886	0
Net Difference between Projected and Actual Earnings on Pension Plan Investment	0	170,251
Employer and State Contributions Subsequent to Measurement Date	518,900	0
Total	<u>\$ 644,786</u>	<u>\$ 199,618</u>

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer and State contributions subsequent to the measurement date has been recognized as a reduction of the Net Pension Liability in the year-ended September 30, 2019. Other amounts reported as Deferred Outflows of resources and Deferred Inflows of Resources related to pension will be recognized in Pension Expense as follows:

Year ended September 30,	
2020	\$ 146,939
2021	\$ (74,576)
2022	\$ (117,990)
2023	\$ (28,105)
2024	\$ 0
Thereafter	\$ 0

Payable to the Pension Plan:

On September 30, 2018, the sponsor reported a payable of \$87,805 for the outstanding amount of contributions of the Pension plan required for the year-ended September 30, 2018.



**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 12 - Risk Management**

It is the policy of the City to purchase insurance for the risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City obtained general liability insurance at a cost it considered to be economically justifiable. The government pays an annual premium for its general insurance coverage to Florida League of Cities, Inc.

**Note 13 - Budget**

For the year ended September 30, 2019, expenditures were under appropriations in the City's general fund in most expenditure categories.

**Note 14 - Interfund Transfers**

Transfers Out	Transfers In					Total
	General Fund	Refuse Fund	Debt Service	Landfill	Internal Service	
General Fund	\$ 0	\$ 0	\$ 420,000	\$ 0	\$ 48,132	\$ 468,132
Electric	4,017,581	0	0	0	0	4,017,581
Water	180,000	0	0	0	0	180,000
Waste Water	120,000	0	0	0	0	120,000
Refuse	36,000	0	0	0	0	36,000
Landfill	36,000	0	0	0	0	36,000
Gas	376,214	0	0	0	0	376,214
Internal service	5,445	0	0	0	0	5,445
<b>Total</b>	<b>\$ 4,771,240</b>	<b>\$ 0</b>	<b>\$ 420,000</b>	<b>\$ 0</b>	<b>\$ 48,132</b>	<b>\$ 5,239,372</b>

**Note 15 - Advances To and From Other Funds**

Advances To	Advances From				Total
	Electric	CRA	Waste Water		
Electric	\$ 200,000	\$ 0	\$ 0	\$ 200,000	\$ 200,000
Water	479,943	479,943	0	0	479,943
Waste Water	479,943	479,943	0	0	479,943
Gas	479,943	479,943	0	0	479,943
Internal Service	2,500	0	2,500	0	2,500
<b>Total</b>	<b>\$1,642,329</b>	<b>\$1,439,829</b>	<b>\$ 2,500</b>	<b>\$ 200,000</b>	<b>\$1,642,329</b>

**Note 16 - Fund Balance**

In accordance with GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City classifies governmental fund balances as follows:

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Note 16 - Fund Balance (Concluded)**

Non-spendable Fund Balances – includes fund balance amounts that cannot be spent either because they are a) not in a spendable form, such as inventory, or b) because they are legally or contractually required to be maintained intact.

Spendable fund balances:

- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.
- Assigned – includes spendable fund balance amounts established by management of the City that are intended to be used for specific purposes that are neither considered restricted or committed.
- Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The City does not have a formal fund balance policy.

**Schedule of the City's Fund Balances is shown below:**

	General Fund	CRA	Special Revenue	Debt Service	Total Governmental Funds
Restricted for:					
Law Enforcement	\$ 0	\$ 0	\$ 25,853	\$ 0	\$ 25,853
Debt Service	0	0	0	155,786	155,786
Economic Environment	0	278,046	0	0	278,046
Assigned	221,973	0	0	0	221,973
Unassigned	972,819	0	0	0	972,819
Total Fund Balance	<u>\$1,194,792</u>	<u>\$278,046</u>	<u>\$ 25,853</u>	<u>\$155,786</u>	<u>\$ 1,654,477</u>

**Note 17 – Subsequent Events**

Management has evaluated subsequent events through April 29, 2020, the date the financial statements were available to be issued, and concluded that there are no other subsequent events warranting presentation or disclosure in the financial statements.

**CITY OF QUINCY, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2019**

**CITY OF QUINCY, FLORIDA  
POLICE AND FIREMEN'S SUPPLEMENTAL  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
YEAR ENDED SEPTEMBER 30, 2019**

	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
<b>Total Pension Liability</b>						
Service Cost	\$ 81,950	\$ 91,547	\$ 87,154	\$ 81,745	\$ 79,756	\$ 75,629
Interest	776,343	776,087	743,912	706,961	697,360	702,446
Change in Funding Standard Account	0	0	0	0	0	(104,969)
Changes of Benefit Terms	(544)	0	0	0	0	0
Differences between Expected and Actual Experience	(73,448)	(58,733)	307,201	28,822	(119,070)	0
Changes of Assumptions	162,628	251,771	0	(44,566)	0	0
Benefit Payments, including Refunds of Employee Contributions	(719,893)	(726,417)	(705,357)	(696,094)	(614,276)	(613,357)
Net Change in Total Pension Liability	167,236	335,155	442,910	466,003	31,770	59,740
Total Pension Liability-Beginning	10,632,450	10,297,295	9,854,385	9,388,382	9,154,612	8,294,863
Total Pension Liability-Ending (a)	10,799,686	10,632,450	10,297,295	9,854,385	9,388,382	8,354,612
<b>Plan Fiduciary Net Position</b>						
Contributions-Employer	518,900	320,186	352,291	324,161	173,276	203,047
Contributions-State	0	104,300	101,068	100,511	196,371	162,057
Contributions-Employee	62,268	64,854	69,532	74,620	64,890	60,862
Net Investment Income	149,524	703,177	637,304	286,851	(98,204)	713,364
Benefit Payments, including Refunds of Employee Contributions	(719,893)	(726,417)	(705,357)	(696,094)	(614,276)	(613,357)
Administrative Expense	(17,542)	(32,323)	(31,832)	(38,392)	(31,320)	(27,834)
Net Change in Plan Fiduciary Net Position	(71,257)	433,867	723,096	51,667	(307,353)	437,019
Plan Fiduciary Net Position-Beginning	7,828,577	7,394,710	6,671,614	6,619,947	6,927,300	6,489,361
Plan Fiduciary Net Position-Ending (b)	\$ 7,757,320	\$ 7,828,577	\$ 7,394,710	\$ 6,671,614	\$ 6,619,947	\$ 6,927,300
Net Pension Liability Liability-Ending (a)-(b)	\$ 3,042,366	\$ 2,803,873	\$ 2,902,585	\$ 3,182,771	\$ 2,768,435	\$ 2,427,312
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.09%	74.61%	71.81%	67.70%	70.51%	74.08%
Covered Payroll	\$ 830,241	\$ 864,717	\$ 931,955	\$ 1,023,366	\$ 867,717	\$ 898,824
Net Pension Liability as a Percentage of Covered Payroll	336.99%	324.25%	311.45%	311.03%	310.05%	300.10%

**Notes to Schedule:**

**Changes in Benefit Terms:** For measurement date 09/30/2019, amounts reported as changes of benefit terms resulted from the provisions of Chapter 112, 1818, Florida Statutes. The Statutes state that, effective July 1, 2019, a death or disability (under the Plan's definition of total and permanent disability) for a Firefighter due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer will be treated as duty-related.

**Changes of Assumptions:** For measurement date 09/30/2019, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.30% to 7.40% per year compounded annually, net of investment related expenses. For measurement date 09/30/2018, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.75% to 7.50% per year compounded annually, net of investment related expenses. For measurement date 09/30/2016, as a result of Chapter 2015-153, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees. The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

**CITY OF QUINCY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
POLICE AND FIREMEN'S SUPPLEMENTAL PENSION PLAN  
YEAR ENDED SEPTEMBER 30, 2019**

**SCHEDULE OF CONTRIBUTIONS**

Last 10 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
9/30/2019	\$ 518,900	\$ 518,900	\$ 0	\$ 830,241	62.50%
9/30/2018	\$ 424,576	\$ 424,576	\$ 0	\$ 864,717	49.10%
9/30/2017	\$ 433,359	\$ 433,359	\$ 0	\$ 931,955	46.50%
9/30/2016	\$ 424,672	\$ 424,672	\$ 0	\$ 1,023,306	41.50%
9/30/2015	\$ 369,647	\$ 369,647	\$ 0	\$ 867,717	42.60%
9/30/2014	\$ 410,073	\$ 410,073	\$ 0	\$ 808,824	50.70%

**Notes to Schedule**

Valuation Date: 10/01/2018

Actuarially determined contribution rates are calculated as of October 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method  
 Amortization Method: Level dollar  
 Remaining Amortization Period: 20 years (as of 10/1/2017) valuation  
 Mortality Rate: *Healthy Lives*; Female RP2000 Generational, 100%  
 Annuitant White collar, Scale BB. Male: RP2000  
 Generational, 10% Annuitant White Collar / 90%  
 Annuitant Blue Collar, Scale BB  
*Disabled Lives*; Female 60% RP 2000 Disabled Female  
 set forward two years / 40% Annuitant White Collar with  
 no setback, no projection scale. Male; 60% RP2000  
 Disabled Male setback four years / 40% Annuitant White

Collar with no setback, no projection scale.

The above assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2018 FRS valuation report for special risk participants. We feel this assumption sufficiently accommodates future mortality improvements.

Interest Rate: 7.50% per year compounded annually, net of investment related expenses. This is supported by the target asset class allocation of the trust and the expected long-term return by asset class.

Salary Increases: 4% per year.

**CITY OF QUINCY, FLORIDA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 POLICE AND FIREMEN'S SUPPLEMENTAL PENSION PLAN  
 YEAR ENDED SEPTEMBER 30, 2019**

**Notes to Schedule (continued)**

Payroll Growth: None  
 Funding Method: Entry Age Normal Actuarial Cost Method  
 Amortization Method: Level Dollar  
 Remaining Amortization Period: 20 years (as of 10/01/2018 valuation)

Normal Retirement:	<u>Credit Service</u>	<u>Probability</u>
	25	50%
	26	25%
	27	67%
	28	50%
	29	50%
	30	100%

In addition to the above table, 100% of retirement is assumed upon the attainment of age 55 with 10 years Credited Service. These rates are based on an experience study issued July 30, 2013.

Disability Rates: See Table for below sample rates. 75% of Disability Retirements are assumed to be service-incurred.

<u>AGE</u>	<u>% Becoming Disabled During the year</u>
25	0.09%
35	0.14%
45	0.24%
55	0.38%

These rates are based on an experience study issued July 30, 2013

Asset Smoothing Methodology: The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in an insignificant bias that is above or below the Market Value of Assets.

**Termination Rates**

<u>Credit Service</u>	<u>Assumption</u>
Less than 5 years	20.0%
5 or more years	5.0%

Early Retirement: Commencing at the eligibility for Early Retirement, Members are assumed to retire with an immediate subsidized benefit at the rate of 20% per year. This rate is based on an experience study issued July 30, 2013.

**CITY OF QUINCY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
POLICE AND FIREMEN'S SUPPLEMENTAL PENSION PLAN  
YEAR ENDED SEPTEMBER 30, 2019**

**SCHEDULE OF INVESTMENT RETURNS  
(Last 10 Fiscal Years)**

<u>Fiscal Year Ended</u>	<u>Annual Money-Weighted Rate of Return Net of Investment Expense</u>
9/30/2019	4.61%
9/30/2018	9.82%
9/30/2017	14.85%
9/30/2016	4.46%
9/30/2015	-1.44%
9/30/2014	11.33%

**CITY OF QUINCY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POST EMPLOYMENT BENEFITS  
YEAR ENDED SEPTEMBER 30, 2019**

**SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS**

(Last 10 Fiscal Years)

Reporting Period Ending	9/30/2019	9/30/2018
Measurement Date	<u>9/30/2018</u>	<u>9/30/2017</u>
<b>TOTAL OPEB LIABILITY</b>		
Service Cost	\$ 445,352	\$ 502,595
Interest	304,021	265,592
Changes of Benefit Terms	0	0
Differences Between Expected and Actual Experience	0	0
Changes of Assumptions	(723,993)	(833,873)
Benefit Payments	<u>(213,094)</u>	<u>(195,949)</u>
Net Change in Total OPEB Liability	<u>(187,714)</u>	<u>(261,635)</u>
Total OPEB Liability-Beginning	<u>8,012,482</u>	<u>8,274,117</u>
Total OPEB Liability-Ending	<u>\$ 7,824,768</u>	<u>\$ 8,012,482</u>
Covered Employee Payroll (Projected)	3,602,887	3,464,315
City's Total OPEB Liability as a Percentage of Covered Employee Payroll	217.18%	231.29%

Notes to Schedule:

Covered Employee Payroll was projected to the measurement date for the reporting period ending September 30, 2019.

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2019	4.18%
Fiscal Year Ending September 30, 2018	3.64%
Fiscal Year Ending September 30, 2017	3.06%



**CITY OF QUINCY, FLORIDA**  
**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL-GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30,2019**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$1,100,612	\$ 1,100,612	\$ 2,134,980	\$ 1,034,368
Licenses and Permits	118,000	\$ 118,000	210,947	92,947
Intergovernmental Revenues	2,103,548	\$ 2,103,548	744,337	(1,359,211)
Charges for Services	478,024	\$ 478,024	488,925	10,901
Fines and Forfeitures	38,000	\$ 38,000	36,293	(1,707)
Miscellaneous Revenues	184,400	\$ 184,400	381,228	196,828
<b>Total Revenues</b>	<u>4,022,584</u>	<u>4,022,584</u>	<u>3,996,711</u>	<u>(25,873)</u>
<b>Expenditures</b>				
Current:				
General Government	1,988,072	1,988,072	2,144,178	156,106
Public Safety	3,939,203	3,939,203	3,796,342	(142,861)
Physical Environment	2,200,907	2,200,907	196,174	(2,004,733)
Transportation	0	0	776,985	776,985
Economic Environment	0	0	162,203	162,203
Culture and Recreation	603,049	603,049	477,138	(125,911)
Debt Service:				
Principal	435,255	435,255	41,257	(393,998)
Interest	5,306	5,306	5,302	(4)
Capital Outlay	0	0	528,818	528,818
<b>(Total Expenditures)</b>	<u>(9,171,792)</u>	<u>(9,171,792)</u>	<u>(8,128,398)</u>	<u>1,043,394</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(5,149,208)</u>	<u>(5,149,208)</u>	<u>(4,131,686)</u>	<u>1,017,522</u>
<b>Other Financing Sources (Uses)</b>				
Debt Proceeds	0	0	0	0
Operating Transfers in	4,843,795	4,843,795	4,771,240	(72,555)
Operating Transfers out	0	0	(468,132)	(468,132)
<b>Total Other Financing Sources (Uses)</b>	<u>4,843,795</u>	<u>4,843,795</u>	<u>4,303,108</u>	<u>(540,687)</u>
<b>Net Change in Fund Balance</b>	(305,413)	(305,413)	171,422	476,835
<b>Fund Balance, Beginning of Year</b>	<u>305,413</u>	<u>305,413</u>	<u>1,023,371</u>	<u>717,958</u>
<b>Fund Balance, End of Year</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,194,792</u>	<u>\$ 1,194,792</u>

**CITY OF QUINCY, FLORIDA**  
**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL-COMMUNITY REDEVELOPMENT AGENCY**  
**FOR THE YEAR ENDED SEPTEMBER 30,2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Tax Increment	379,662	379,662	445,155	65,493
Licenses and Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Fines and Forfeitures	0	0	0	0
Miscellaneous Revenues	0	0	1,234	1,234
<b>Total Revenues</b>	<u>379,662</u>	<u>379,662</u>	<u>446,389</u>	<u>66,727</u>
<b>Expenditures</b>				
Current:				
General Government	0	0	0	0
Public Safety	0	0	0	0
Physical Environment	0	0	0	0
Transportation	0	0	0	0
Economic Environment	369,662	364,162	222,713	(141,449)
Culture and Recreation	0	0	0	0
Debt Service:				
Principal	0	0	0	0
Interest	0	0	0	0
Capital Outlay	310,000	315,500	311,823	(3,677)
<b>(Total Expenditures)</b>	<u>679,662</u>	<u>679,662</u>	<u>534,535</u>	<u>(145,127)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(300,000)</u>	<u>(300,000)</u>	<u>(88,146)</u>	<u>211,854</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers in	0	0	0	0
Operating Transfers out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balance</b>	(300,000)	(300,000)	(88,146)	211,854
<b>Fund Balance, Beginning of Year</b>	300,000	300,000	366,192	66,192
<b>Fund Balance, End of Year</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 278,046</u>	<u>\$ 278,046</u>

**CITY OF QUINCY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
FISCAL YEAR ENDED SEPTEMBER 30, 2019**

**Notes to Budgetary Comparison Schedule**

Chapter 166, Florida Statutes, requires that all municipalities prepare, approve, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles. The budgets control the levy and the expenditures of money for City purposes for the ensuing fiscal year. The budgeting process is based on estimates of revenues and expenditures. The City budgets are prepared on a modified-accrual basis or accrual basis of accounting in accordance with generally accepted accounting principles.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to August 15, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are held to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. Budgetary control is maintained at the department and fund level, with Finance Department providing support to departments in the administration of their budget. In accordance with the City's budget transfer policy, the City Manager is authorized to transfer budgeted amounts within any fund or function; however, the City Commission must approve any supplemental appropriations or revisions that amend the total expenditures of any fund. All budgets are on a basis consistent with accounting principles generally accepted in the United States of America.
5. Budget amounts are as originally adopted, or as amended in accordance with City ordinances. The accompanying financial statements incorporate the original budget ordinance and all amendments thereto.
6. All annual appropriations lapse at fiscal year-end.

**CITY OF QUINCY, FLORIDA**  
**COMBINING FUND FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**CITY OF QUINCY, FLORIDA  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2019**

	<u>Special Revenue Confiscated Property Fund</u>	<u>Debt Service 2012 Refunding Bond</u>	<u>Total Non-Major Governmental Funds</u>
<b>Assets</b>			
Cash and Cash Equivalent	\$ 25,853	\$ 155,786	\$ 181,639
Investments	0	0	0
Receivables (Net)	0	0	0
Assessment Receivables (Net)	0	0	0
Due from Other Governments	0	0	0
Advances to Other Funds	0	0	0
<b>Total Assets</b>	<u>25,853</u>	<u>155,786</u>	<u>181,639</u>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	0	0	0
Accrued Expenses	0	0	0
Due to Other Governments	0	0	0
Advances to Other Funds	0	0	0
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>0</u>
 <b>Fund Balances</b>			
Nonspendable:			
Advances to Other Funds	0	0	0
Restricted for:			
Law Enforcement	25,853	0	25,853
Physical Environment	0	0	0
Debt Service	0	155,786	155,786
Unassigned	0	0	0
<b>Total Fund Balances</b>	<u>25,853</u>	<u>155,786</u>	<u>181,639</u>
 <b>Total Liabilities and Fund Balances</b>	<u>\$ 25,853</u>	<u>\$ 155,786</u>	<u>\$ 181,639</u>

**CITY OF QUINCY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Special Revenue <u>Confiscated Property Fund</u>	Debt Service <u>2012 Refunding Bond</u>	Total Combined Non-Major Funds
<b>Revenues</b>			
Taxes	\$ 0	\$ 0	\$ 0
Tax Increment	0	0	0
Licenses and Permits	0	0	0
Intergovernmental Revenues	0	0	0
Charges for Services	0	0	0
Fines and Forfeitures	0	0	0
Miscellaneous Revenues	26	547	573
<b>Total Revenues</b>	<u>26</u>	<u>547</u>	<u>573</u>
<b>Expenditures</b>			
General Government	0	0	0
Public Safety	0	0	0
Physical Environment	0	0	0
Transportation	0	0	0
Economic Environment	0	0	0
Culture and Recreation	0	0	0
IT Support	0	0	0
Debt Service:			
Principal	0	288,000	288,000
Interest	0	66,848	66,848
Capital Outlay	0	0	0
<b>(Total Expenditures)</b>	<u>0</u>	<u>354,848</u>	<u>354,848</u>
<b>(Deficiency) Excess of Revenues (Under)</b>			
<b>Over Expenditures</b>	<u>26</u>	<u>(354,301)</u>	<u>(354,275)</u>
<b>Other Financing Sources (Uses)</b>			
Debt Proceeds	0	0	0
Transfers in	0	420,000	420,000
Transfers (out)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>420,000</u>	<u>420,000</u>
<b>Net Change in Fund Balances</b>	26	65,699	65,725
<b>Fund Balances, Beginning of Year</b>	25,827	90,087	115,914
<b>Fund Balances, End of Year</b>	<u>\$ 25,853</u>	<u>\$ 155,786</u>	<u>\$ 181,639</u>

**CITY OF QUINCY, FLORIDA**  
**COMBINING STATEMENT OF FUND NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2019**

	Business-Type Activities - Enterprise Funds			Total Non-Major Funds
	Non-Major Funds			
	Landfill Fund	Refuse Fund	Gas Fund	
<b>Assets</b>				
<b>Current Assets:</b>				
Cash and Cash Equivalents	\$ 123,654	\$ 1,240	\$ 200,612	\$ 325,506
Investments	0	0	0	0
Receivables, net	14,240	209,595	165,300	389,135
Prepaid Expenses	0	0	0	0
Inventories	0	0	14,479	14,479
<b>Total Current Assets</b>	<u>137,894</u>	<u>210,835</u>	<u>380,391</u>	<u>729,119</u>
<b>Noncurrent Assets</b>				
<b>Restricted Assets:</b>				
Restricted Cash and Cash Equivalents	47,111	0	354,818	401,929
<b>Total Restricted Assets</b>	<u>47,111</u>	<u>0</u>	<u>354,818</u>	<u>401,929</u>
<b>Capital Assets:</b>				
Land and Land Improvements	54,878	0	403,717	458,595
Property, Plant and Equipment	485,528	137,121	1,361,084	1,983,733
(Accumulated Depreciation)	(459,185)	(13,721)	(1,322,509)	(1,795,415)
<b>Total Net Capital Assets</b>	<u>81,221</u>	<u>123,400</u>	<u>442,292</u>	<u>646,913</u>
<b>Other Assets:</b>				
Advances to Other Funds	0	0	479,943	479,943
<b>Total Noncurrent Assets</b>	<u>0</u>	<u>0</u>	<u>479,943</u>	<u>479,943</u>
<b>Total Assets</b>	<u>\$ 266,226</u>	<u>\$ 334,235</u>	<u>\$ 1,657,444</u>	<u>\$ 2,257,904</u>

**CITY OF QUINCY, FLORIDA**  
**COMBINING STATEMENT OF FUND NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2019**

	Business-Type Activities - Enterprise Funds Non-Major Funds			Total Non-Major Funds
	Landfill Fund	Refuse Fund	Gas Fund	
<b>Liabilities</b>				
<b>Current Liabilities:</b>				
Accounts Payable	\$ 75	\$ 117,047	\$ 83,138	\$ 200,260
Accrued Expenses	2,247	0	\$ 6,713	8,961
Due to Other Governments	0	0	26,879	26,879
Accrued Interest Payable	0	0	32,948	32,948
Current Portion:				
Bonds Payable	0	0	23,400	23,400
Notes Payable	0	0	0	0
Capitalized Lease Payable	0	0	0	0
Compensated Absenses	1,058	0	3,964	5,022
<b>Total Current Liabilities</b>	<u>3,381</u>	<u>117,047</u>	<u>177,041</u>	<u>297,469</u>
<b>Noncurrent Liabilities:</b>				
Customer Deposits	0	0	11,043	11,043
Advances to Other Funds	0	0	0	0
Long Term Portion:				
Bonds Payable	0	0	635,700	635,700
Notes Payable	0	0	0	0
Capitalized Lease Payable	0	0	0	0
Compensated Absenses	3,175	0	11,891	15,066
Land Fill Closure Liability	282,665	0	0	282,665
<b>Total Noncurrent Liabilities</b>	<u>285,840</u>	<u>0</u>	<u>658,634</u>	<u>944,474</u>
<b>Total Liabilities</b>	<u>289,221</u>	<u>117,047</u>	<u>835,675</u>	<u>1,241,944</u>
<b>Net Position</b>				
Net Investment in Capital Assets	0	0	0	0
Restricted for:				
Debt Service	0	0	0	0
Unrestricted	0	0	0	0
<b>Total Net Position</b>	<u>(22,995)</u>	<u>217,187</u>	<u>821,768</u>	<u>1,015,961</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 266,226</u>	<u>\$ 334,235</u>	<u>\$ 1,657,444</u>	<u>\$ 2,257,904</u>



**CITY OF QUINCY, FLORIDA**  
**COMBINING STATEMENT OF FUND NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2019**

	Business-Type Activities - Enterprise Funds			Total Non-Major Funds
	Non-Major Funds			
	Landfill Fund	Refuse Fund	Gas Fund	
<b>Operating Revenues</b>				
Charges for Services	\$ 204,920	\$ 1,402,945	\$ 1,470,044	\$ 3,077,908
<b>Total Operating Revenue</b>	<u>204,920</u>	<u>1,402,945</u>	<u>1,470,044</u>	<u>3,077,908</u>
<b>Operating Expenses</b>				
Purchase Power	0	0	732,847	732,847
Personal Service	71,106	0	167,268	238,374
Contractual Service	(9,913)	1,303,146	28,877	1,322,109
Supplies	0	0	5,668	5,668
Repairs and Maintenance	257	0	17,637	17,894
Utility/Telephone	1,664	0	4,713	6,377
Shared Service	0	41,652	41,652	83,304
Depreciation	26,343	13,721	3,731	43,795
Other Expenses	2,132	18,512	27,801	48,446
IT-Support	897	0	8,000	8,897
<b>(Total Operating Expenses)</b>	<u>(92,487)</u>	<u>(1,377,031)</u>	<u>(1,038,194)</u>	<u>(2,507,712)</u>
<b>Operating Income</b>	<u>112,432</u>	<u>25,913</u>	<u>431,850</u>	<u>570,196</u>
<b>Non-Operating Revenues (Expenses)</b>				
Capital Grants	0	0	0	0
Interest Income	0	0	1,999	1,999
Interest Expense	0	0	(49,077)	(49,077)
Investment Gains and Losses	0	0	0	0
<b>Total Non-Operating Revenues (Expenses)</b>	<u>0</u>	<u>0</u>	<u>(47,077)</u>	<u>(47,077)</u>
<b>Income Before Capital Contributions and Transfers</b>	<u>112,432</u>	<u>25,913</u>	<u>384,773</u>	<u>523,118</u>
<b>Operating Transfers</b>				
Transfers In	0	0	0	0
Transfers Out	(36,000)	(36,000)	(376,214)	(448,214)
<b>Total Operating Transfers</b>	<u>(36,000)</u>	<u>(36,000)</u>	<u>(376,214)</u>	<u>(448,214)</u>
<b>Change in Net Position</b>	<u>76,432</u>	<u>(10,087)</u>	<u>8,559</u>	<u>74,904</u>
<b>Net Position, Beginning of Year</b>	(99,427)	227,274	813,210	941,056
<b>Net Position, End of Year</b>	<u>\$ (22,995)</u>	<u>\$ 217,187</u>	<u>\$ 821,768</u>	<u>\$ 1,015,961</u>

**CITY OF QUINCY, FLORIDA**  
**COMPLIANCE SECTION**  
**SEPTEMBER 30, 2019**

**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 City Council,  
City of Quincy, Florida:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the City of Quincy, (the "City") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 29, 2020.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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.

**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**  
*(concluded)*

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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.

*Moran & Smith LLP*

Moran and Smith LLP  
April 29, 2020

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE  
REQUIREMENTS OF SECTION 218.415 FLORIDA STATUTES**

To the Honorable City Council,  
City of Quincy, Florida:

We have examined the City of Quincy, Florida (the "City") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with specific 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 our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

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

*Moran & Smith LLP*

Moran & Smith LLP  
April 29, 2020

## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable City Council,  
City of Quincy, Florida:

### Report on the Financial Statements

We have audited the accompanying financial statements of the City of Quincy, Florida (the "City"), as of and for the year ended September 30, 2019, and have issued our report thereon April 29, 2020.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated April 29, 2020, 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 significant findings and recommendations made in the preceding annual financial audit report. There were no findings and associated recommendations made in the preceding 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 the management letter, unless disclosed in the notes to the financial statements. These disclosures can be found in Note 1 to the financial statements.

### Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7) *Rules of the Auditor General*, requires that we report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

**INDEPENDENT AUDITOR'S MANAGEMENT LETTER**

*(concluded)*

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

**Additional Matters**

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we had one such finding.

Criteria: Per Florida Statutes 163 establish the rules for Community Redevelopment Agencies (CRA) the City of Quincy is required to comply with various statutory requirements of FS 163.

Condition: The City of Quincy did not document compliance with all aspects of Florida Statutes, 163.387

Cause: The Statutes have been updated to include significant reporting requirements that were not complied with.

Effect: The City Cannot document Compliance with all aspects of the Florida Statutes related to the CRA.

Recommendation: We recommend the City review the specific requirements of Florida Statutes 163.387

**Purpose of the Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the City Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Moran & Smith LLP*

Moran & Smith LLP  
April 29, 2020

**CITY OF QUINCY, FLORIDA**  
**COMMUNITY REDEVELOPMENT AGENCY (CRA)**  
**RESPONSE TO**  
**THE FISCAL YEAR 2019 AUDIT MANAGEMENT LETTER**

**Condition: The City of Quincy CRA did not document compliance with all aspects of Florida Statutes, 163.387.**

The Community Redevelopment Agency (CRA) was well aware of the need to review and revise some of the practices the City has had for many years in order to comply with the new revisions detailed in Florida Statute 163.387 Section 8 (3), specifically related to subsections (6) and (7), effective October 1, 2019. Due to class attendance in various seminars by the CRA Director, seminars attended by the Finance Director, and the CRA attorney's knowledge and guidance, there were several meetings held reviewing the requirements to determine the level of compliance.

The new law will require the Auditor to determine compliance starting October 1, 2019. In the CRA's effort to ensure compliance for FY 2019/2020, the assessment by the auditor was deemed crucial and necessary, thus the comment in regards to the new requirement stated in Florida Statute 163.387 Section 8 (3).

Per the CRA staff and attorney's assessment:

- Section 6 was deemed compliant by CRA staff, as it related to annual budget preparation and allocation, but for FY2019/2020, CRA will also include submission to Gadsden Board of County Commissioners.
- Section 7 was reviewed and it was determined that on the last day of the fiscal year 2018/2019 of the community redevelopment agency, any money which remained in the trust fund after the payment of expenses pursuant to subsection (6) will be appropriated to specific redevelopment projects pursuant to an approved community redevelopment plan. Compliance is in progress.

CRA has now documented the level of compliance with all aspects of Florida Statute 163.387, and made the few revisions to increase compliance to 100%, such as website presentation of CRA property values, detailing transactions more (Section 6), and budget presentation of the remaining trust funds carryover from prior year.



# **City of Gretna**

## **Contract/Agreement**

## **CITY OF GRETNA VS CITY OF QUINCY UTILITY MATTER**

### **OVERVIEW**

City of Quincy and the City of Gretna executed an Interlocal Agreement as it relates to potable water supply on December 20, 2005. It details the construction, capital investment, potable water supply percentage of 33%, and willingness to supply and receive by both parties. The agreement also has a rate adjustment every five years.

The water was turned off in April 2019 due to an observation by Quincy staff that the meter was possibly running backwards. Due to the damages caused by Hurricane Michael, in April, 2019, Gretna commenced a capital project which resulted in the upgrading of their water system which addressed the backflow prevention concern.

The City of Quincy continued the monthly billing for the amount of \$2,290. In February 2020, the Finance Department contacted the City of Gretna for non-payment for the current fiscal year and was advised by the Gretna Accounts Payable Division that the water flow was not being received.

The Utilities Director advised that water could not be released until the City of Quincy is confident that giving water to Gretna would not create a larger concern of backflow, which would require City of Quincy to report to the State of Florida Department of Environmental Protection and Water Management, and thus be liable for fines and penalties.

### **RESOLUTION**

Meetings were held by both the City of Quincy and City of Gretna staff and it was resolved that:

1. Gretna would complete the final necessary repairs to the check valve (\$1,500), which is estimated to be completed the week of May 11th, since the part has now been received.
2. Quincy agreed that as soon as the repairs have been completed, a notification will be sent to Jacobs (water contractor), letting them know that Gretna is ready to receive water from the City.
3. Jacobs will then communicate with the City of Gretna to schedule the commencement of a water flow schedule. At that time, the City of Quincy will release the water.
4. Quincy Finance Department issued credit memos, based on the understanding of Gretna not having received the water flow.
5. Quincy Finance Department will commence billing once the water is flowing, consistent with the executed agreement and the rate adjustment calculated on June, 2019.

the well field and transmission line to the point of delivery, based on its projected ten-year water requirement.

B. Gretna shall purchase a minimum of one-third (1/3) of its ten year project water requirement under this agreement at the applicable consumption rate.

C. The initial wholesale consumption rate is \$.70 per thousand gallons of water. The consumption rate may be changed by the City Commission of Quincy, after consultation with Gretna, however, such consumption rate shall remain fixed through year five of this agreement. Gretna's consumption rate after year five may be adjusted based on increases in the U. S. Consumer Price Index as of year six and each year thereafter, without action of the City Commission of Quincy. Notwithstanding the U. S. Consumer Price Index in any given year, the adjustment to the consumption rate, set by this agreement or as established by the City Commission of Quincy, will not exceed 3% in a given year. The City Commission of Quincy shall only change the consumption rate at the beginning of Gretna's fiscal year. Quincy shall provide Gretna ninety (90) days notice before implementing any such change in the consumption rate or adjustment to the rate.

D. Quincy shall render monthly invoices to Gretna for water provided in accordance with this Interlocal Agreement. Invoices shall be made by certified mail by the tenth day of the month following the month for which service has been provided, based on meter readings taken by Quincy employees as of the last working day of each month. Amounts billed on such invoices are due when rendered. Payments not received by Quincy on or before twenty-five (25) days after the postmark date of the bill shall be considered past due. All past-due invoices shall be subject to a late charge of Fifty Dollars (\$50.00), such charge being intended to reimburse Quincy for costs in processing and otherwise administering late payments. For purpose of this

Section, date of receipt shall be the date of actual receipt by Quincy if hand delivered or mailed, or date of transfer to Quincy's bank, if electronic funds transfer is used. Service will be terminated on or after 40 days past the initial billing's postmark date.

D. Any and all suits to recover unpaid amounts, including billings, late charges and interest shall be instituted and maintained in any court of competent jurisdiction in Gadsden County, Florida. In all such suits, the prevailing party shall be entitled to receive all cost of collection, including reasonable attorney fees, which may be incurred by said party in the prosecution or defense of the suit.

SECTION VIII  
ACCESS TO INFORMATION

A. Gretna shall have access to all accounting and engineering records and other data used by Quincy to determine any change or adjustment to the consumption rate. Each annual statement shall present all operating and maintenance expenses incurred to provide the service specified in this Interlocal Agreement in substantial conformity with the National Association of Regulatory Utility Commissioners "Uniform System of Accounts for Class A and B Water Utilities" (1976 Edition), and as amended from time to time.

B. Quincy shall provide Gretna access to the revenue and expense reports on its water operations. Additionally, Gretna shall provide an annual audit of all of its city operations, including its water operations.

SECTION IX  
RATES TO BE CHARGED BY THE CITY OF GRETNA

Gretna shall establish, impose, maintain and collect, or shall cause to be established, imposed, maintained and collected at all times throughout the effective period hereof, such rates

Rate Adjustment

Current rate/K

6/5/2019 0.72

CPI average change in % for calendar 2018: 2.45

Rate for Gretna Water starting 10/1/19 0.7376

Truncated for billing

Jan

Feb

Mar

Apr

May

Jun

Jul

Aug

Sep

Oct

Nov

Dec

2018\*  
%s

2.1

2.2

2.4

2.5

2.8

2.9

2.9

2.7

2.3

2.5

2.2

1.9

2019\*  
%s

1.6

1.5

1.9

2.0

2020  
%s

2021  
%s

Total mont 29.40

Average/AI 2.45

Cap by contract: 3%

\* from Bureau of Labor Statistics:

:All Urban Consumers, Mid-Atlantic

Consumer Price Index Historical Tables for U.S. City Average

CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U)

(not seasonally adjusted)

ALL ITEMS (1982-84=100)	U.S. City Average											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2009	211.143	212.193	212.709	213.249	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.459	218.711	218.803	218.179
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.899	226.421	226.230	225.672
2012	226.665	227.663	229.382	230.085	229.815	229.478	229.104	230.379	231.467	231.317	230.221	229.601
2013	230.260	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049
2014	233.916	234.781	236.393	237.072	237.990	238.343	238.250	237.852	238.031	237.433	236.151	234.812
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.306	236.525
2016	234.016	237.111	238.137	239.761	240.730	241.016	240.678	240.843	241.478	241.700	241.393	241.473

2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
247,889	243,603	243,801	244,524	244,733	244,955	244,786	245,519	246,819	246,663	246,524									
247,887	248,991	249,554	250,546	251,588	251,989	252,006	252,146	252,438	252,885	252,038	251,233								
251,712	252,776	254,202	255,548																

Percent change from

B. Gretna shall purchase a minimum of one-third (1/3) of its ten year project water requirement under this agreement at the applicable consumption rate.

C. The initial wholesale consumption rate is \$7.0 per thousand gallons of water. The consumption rate may be changed by the City Commission of Quincy, after consultation with Gretna, however, such consumption rate shall remain fixed through year five of this agreement. Gretna's consumption rate after year five may be adjusted based on increases in the U. S. Consumer Price Index as of year six and each year thereafter, without action of the City Commission of Quincy. Notwithstanding the U. S. Consumer Price Index in any given year, the adjustment to the consumption rate, set by this agreement or as established by the City Commission of Quincy, will not exceed 3% in a given year. The City Commission of Quincy shall only change the consumption rate at the beginning of Gretna's fiscal year. Quincy shall provide Gretna ninety (90) days notice before implementing any such change in the consumption rate or adjustment to the rate.

D. Quincy shall render monthly invoices to Gretna for water provided in accordance with this Interlocal Agreement. Invoices shall be made by certified mail by the tenth day of the month following the month for which service has been provided, based on meter readings taken

# **Rural Infrastructure Grant Funding**

**CITY OF QUINCY  
CITY COMMISSION  
AGENDA REQUEST**

**MEETING DATE:** May 12, 2020

**DATE OF REQUEST:** May 6, 2020

**TO:** Honorable Mayor and Members of the City Commission

**FROM:** Jack L. McLean Jr., City Manager  
Dr. Beverly A. Nash, Grants  
Rob Nixon, CRA

**SUBJECT:** Funded Project from the Florida Department of Economic Opportunity (DEO), Scope of Work, Fiscal Agent Agreement between the City of Quincy and Gadsden County Development Council

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**Statement of Issue:**

Economic development is often an elusive and difficult challenge for communities, especially rural communities, because it relies on a large number of interrelated factors. Physical infrastructure, human capital and entrepreneurial support networks all play a part to determining the overall economic health of a city. Public engagement provides opportunities to improve each of these areas using the collective wisdom and insight of the residents and business and industry who will be most directly affected by the success or failure of the strategic economic development and implementation plan.

This project will allow the City of Quincy to partner with the Florida Department of Economic Opportunity and the Gadsden County Development Council in identifying its strengths and uniqueness in order to target economic development opportunities and improvements. It will also allow the City to understand how to build upon and maximize its assets to position itself for sustainability, future growth and expansion. The vision of the City of Quincy is to promote a rising standard of living and economic well-being. The goal is to be in a position to incrementally attract new residents and businesses, along with the retention and expansion of existing resources within the City and County.

**Background:**

At the November 20, 2019 Special Meeting, the Commission approved for the City of Quincy to apply for the Florida Department of Economic Opportunity grant request for proposal.

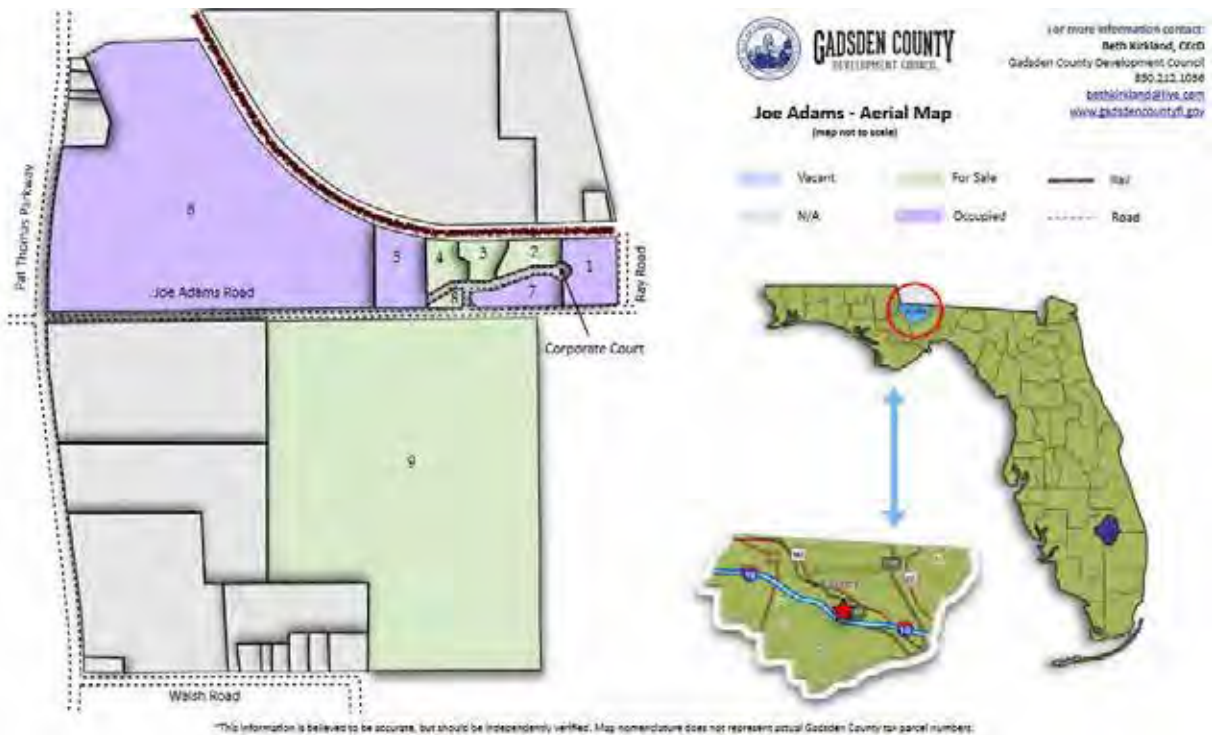


At that time, the City Manager explained that the City would **enter into partnership with Gadsden County Development Council** for the submission of the grant. The City of Quincy, as the fiscal recipient of the grant, is responsible for the accountability and leadership of the grant. As such, the City of Quincy will hire Dewberry Engineering, Inc. for Part 1 of the funded grant and is requesting to enter in a fiscal agreement for Part 2 with Gadsden County Development Council.

The funded grant is specifically for: **Part 1** - infrastructure feasibility studies (environmental), design and engineering or other infrastructure activities (storm water layout, traffic analysis, and utility corridors) and **Part 2** – a five-year strategic economic development and implementation plan (Fiscal Agreement between the City of Quincy and the Gadsden County Development Council).

The grant was funded in the total amount of **\$297,800.00** (cost reimbursement). The grant funding period: February 1, 2020 – January 31, 2022. The funded grant requires no match.

### **Part 1: Quincy Joe Adams Business/Commerce Park**



Expanding the Quincy Joe Adams Commerce Park will result in a competitive and attractive shovel-ready site for new and expanding businesses located conveniently near the I-10 and Highway 276 (Pat Thomas Parkway) interchange. The engineering, design and master planning efforts work towards achieving the Phase I environmental permit, which eliminates significant lead-time for business prospects will be completed because of this project. Ten acres of the 364.76-acre park will be dedicated to a solar installation that will lower power rates while raising the visibility of this commerce park. Corporations are attracted to ethical, social, environmental, cultural, and economic solutions that develop long-term stakeholder value. The expansion of the Commerce Park is inextricably linked to business expansion plans and can become anchor tenants for shovel-ready industrial space. This effort has the potential to create 4 million square feet of new industrial capacity.

Eight of the parcels located north of Joe Adams Road have been improved and four of the eight are occupied. These improvements made by the City of Quincy amount to an approximately \$800,000 investment including design and construction of roads and utilities. The City of Quincy has a local civil engineering firm approved by the City Commission who will be guiding the development of **Part 1: Dewberry Engineering, Inc., in the amount of \$149,950.00.**

**Part 2: Opportunity for All: Strategies for Inclusive Economic Development** is a wholistic approach to economic development planning that includes input from over 75 (60% face-to-face and 40% by Zoom Video Conferencing) private business and industry interviews, community and stakeholders focus groups. These will provide feedback and input for the development of a wholistic five-year strategic economic development and implementation plan geared toward ensuring a talent pipeline to serve existing, expanding and new businesses locating in the City of Quincy and Gadsden County. Developing the City of Quincy's talent pipeline in concert with the Department of Economic Opportunity will bring forth resources which are a critical component to attracting new businesses to our area (Fiscal agreement between the City of Quincy and the **Gadsden County Development Council in the amount of \$147,850.00.**

The partnership with the Gadsden County Development Council (GCDC) would include its Board of Directors consisting of investors from industry, education, workforce development and local governments. In addition, Gadsden County has six municipalities: Havana, Midway, Quincy, Greensboro, Gretna, and Chattahoochee. All six of the counties participate financially in the GCDC, along with CareerSource Capital Region.

**City Commission Action Needed:**

Options:

Option 1: Vote to approve the receipt of grant funds in the **total amount of \$297,800.00** and to authorize the Mayor and/or City Manager to sign the scope of work and fiscal agent agreement with the **Gadsden County Development Council in the amount of \$147,850.00 for six quarterly payments at \$24,641.66 per the agreement.**

Option 2: Vote to deny the receipt of the funds and authorization to sign.

**Staff Recommendation:**

**Option 1.**

**Attachments:**

Exhibit A: Letter: Florida Department of Economic Opportunity, Signed Award Letter

Exhibit B: City of Quincy FL DEO Florida Rural Infrastructure Fund FY 2019-2020 Florida Panhandle Appropriation 2314 Grant - Submitted Grant Application

Exhibit C: City of Quincy FL DEO Rural Infrastructure Fund Grant Scope of Work

Exhibit D: Fiscal Agent Agreement

## **Fiscal Agent Agreement**

This agreement is made this **12th day of May 2020** between the City of Quincy (“Fiscal Agent”) and Gadsden County Development Council (“Operating Entity”).

### **Purpose of Agreement**

The Operating Entity has proposed that the Fiscal Agent sponsor a project (the “Project”) to do the following:

***Funder: Florida Department of Economic Development, Bureau of Small Cities and Rural Communities, Rural Infrastructure Fund – Project Planning and Preparation Grant***

***Funds from this grant will be used for the continuation of the “Opportunity for All” Strategic Economic Development Plan, a countywide “wholistic” approach to economic development planning and developing a “pipeline” of in-class talent for new and existing businesses.***

***The Project start date: February 1, 2020 and end date: January 31, 2022.***

The Fiscal Agent has determined that sponsorship of the Project would be consistent with its goals and wishes to arrange with the Operating Entity for the implementation and operation of the Project.

1. The Fiscal Agent hereby agrees to sponsor the Project and to assume administrative, programmatic, financial and legal responsibility for the purposes of the requirements of the funding organization. The Operating Entity agrees to implement and operate the Project, in accordance with the terms of this agreement and with the terms and conditions of the grant contract.
2. The Project shall be operated in a manner consistent with the Fiscal Agent’s legal requirements and as described in this agreement. No material changes in the purposes or activities of the Project shall be made without prior written permission of the Fiscal Agent and in accordance with any requirements of the grant award, nor shall the Operating Entity carry on activities or use funds in any way that jeopardizes the Fiscal Agent’s status.
3. The Operating Entity will provide all information and prepare all reports, including interim and final reports, required by the grant contract, with the Fiscal Agent’s final approval.
4. The Operating Entity will not assign nor transfer any of its duties as described in the Project’s work plan without the consent of the Fiscal Agent and the subsequent review and approval of any subcontractor agreements.
5. On behalf of the Operating Entity, the Fiscal Agent will establish and operate for the use of the Project, a designated account (“account”) segregated on the fiscal Agents books. All

amounts deposited into a Project's Account will be used in its support, less administrative charges, if any, and subject to the conditions set forth below.

6. The Fiscal Agent will disburse funds from the Account in the following manner: As instructed in writing on properly filled-out invoices accompanied by required documentation and only as authorized by this agreement.
7. Disbursements will be restricted to the support and implementation of the Project only.
8. The Operating Entity designates **Rob Nixon, Administrator, CRA** (names or titles) to act as authorizing officials. The authorizing officials shall act as principal coordinator of the Project's daily or day-to-day business with the Fiscal Agent, and shall have authority to sign disbursement requests.
9. The Fiscal Agent designates **Rob Nixon, Administrator, CRA** (names or titles) as the authorized officials to serve as the primary contacts with both the Grantor organization and the Authorizing Official of the Operating Entity.
10. The Fiscal Agent and Operating Entity will maintain all financial records relating to the Project according to generally accepted accounting principles and the terms and conditions of the grant award, and will make records available to auditors and entities named in the grant contract.
11. The Fiscal Agent and the Operating Entity will reflect the activities of the Project to the extent required, on their state and federal government tax returns and financial reports. All disbursements from an Account shall be treated as payments made to or on behalf of the Operating Entity to accomplish the purposes of this Project. The sponsored organization will provide the Fiscal Agent with proper documentation to accomplish this, including furnishing the Fiscal Agent with the Operating Entity's Federal Employer Identification Number.
12. In consideration of the Fiscal Agent's agreement to sponsor the Project, and to cover the Fiscal Agent's expenses in connection with the Project as outlined above, the Project will pay the following fees, charges and expenses:

*Product and document development and production, data analysis reports, strategic leadership team meetings, minutes, sign-in sheets, public dialogic events materials and program documents, business interview/ community surveys and interviews, final documents on priorities and economic development, inclusion and implementation (i.e., strategic economic development and implementation plan). In addition to printing and copying costs; materials and supplies, and contractual services costs. Total amount = **\$147,850.00.***

*Additional detail provided in attached Scope of Work.*

13. This agreement will end 60 days after the ending date of the grant contract (including amendments) or will terminate if any of the following events occur:

For example:

- a. The Fiscal Agent requests the Operating Entity to cease activities that it deems might jeopardize its legal status and the Project fails to comply within a period of ten days.

- b. The Operating Entity fails to perform or observe any other covenant of this agreement, and this failure remains unremedied fifteen (15) days after notice in writing.
- c. The grant has been terminated by the Grantor agency.
- d. Upon expiration of four weeks after either the fiscal Agent or Operating Entity has given written notice of its intent to terminate the agreement.

In the event this Agreement is terminated, the Fiscal Agent and Operating Entity will comply with any termination conditions imposed by the grant contract.

In witness whereof, the parties hereto have executed this Agreement on the day and year first written above.

**Accepted for the Fiscal Agent:**

**Accepted for the Operating Entity**

\_\_\_\_\_ (authorized signer)  
**Jack L. McLean Jr., City Manager**

\_\_\_\_\_  
**Gadsden County Development Council  
Authorized Signature**

\_\_\_\_\_ (date)

\_\_\_\_\_

## SCOPE OF WORK – Gadsden County Development Council

### PROJECT DESCRIPTION:

Section 288.0655, Florida Statutes ("F.S."), created the Rural Infrastructure Fund (RIF) to facilitate the planning, preparing, and financing of infrastructure projects in rural communities, which will encourage job creation, capital investment, and strengthening and diversification of rural economies by promoting tourism, trade, and economic development.

Section 288.0655(2)(c) provides that DEO may award grants for infrastructure feasibility studies, design and engineering activities, or other infrastructure planning and preparation activities in order to facilitate timely response and induce the location or expansion of specific job creating opportunities in rural communities.

Funds from this grant will be used to provide the continuation of the “Opportunity for All” Strategic Economic Development Plan, a county-wide “holistic” approach to economic development planning and developing a “pipeline” of talent for new and existing businesses.

**1. Gadsden County Development Council’s (GCDC) RESPONSIBILITIES:** GCDC shall, in addition to all other requirements set forth in the Agreement and this Scope of Work, deliver an Economic Development Strategic and Implementation Plan facilitated by a Certified Economic Developer (CEdD) to the City of Quincy and Florida Department of Economic Opportunity (DEO) that will include the following:

- 2.1 In partnership with the City of Quincy, the Gadsden County Development Council will engage private and public sectors, i.e., K-12 and secondary education, to include the Gadsden Technical Institute; community-based health and social service organizations; not-for-profits, workforce development, business, industry, and parents in the development of a five-year countywide strategic and implementation plan. The plan will place an emphasis on creating a sustainable talent development pipeline across recognized industry types, sizes within the county and municipalities.
- 2.2.1 Provide an Executive summary of strengths, weaknesses, priorities and recommended changes to current local Comp Plans, County Economic Development Strategies, CRA Redevelopment Plans and CareerSource Workforce Development Initiatives and GCPS job skills training program which contribute to the development of or challenges to a sustainable talent development pipeline.
- 2.2.2 Identify and convene a Strategic Leadership Team comprised of individuals from targeted stakeholder groups with relationships throughout the county who can champion the initiative, drive widespread participation and develop an initial list of priorities to address economic inequalities and educational challenges.
- 2.2.3 Conduct a minimum of 75 private sector employers (60% conducted by face-to-face and 40% conducted by Zoom Video Conferencing), cross-referencing the business license data of the six municipalities with the Office of Economic Development and Research. Using updated business and economic research to interview; obtain feedback and other inputs to business expansion plans, regulations, workforce skills upgrades and talent attraction, recruitment and retention strategies and obstacles. Produce an Executive Summary of aggregated business responses, insights into the local, county and regional environment, opportunities and challenges, and update the planning priorities accordingly.
- 2.2.4 Create and execute six (6) public “Longest Table” or “World Café” style dialogic or visioning events to engage target stakeholder groups and their stakeholders. Share research to date and national best practices in business growth, community development and in-class talent development. Encourage participants to propose creative

and sustainable future strategies, discuss the strengths and weaknesses in the region and municipalities, goals and actions to address priorities. Use input to reshape, redefine and refine the economic development strategic and implementation plan priorities and develop an economic roadmap that will diversify and strengthen county and local economies.

- 2.2.5 Develop a researched based, data-driven “wholistic” economic development strategic and implementation plan on the top 10 priorities with projected outcomes, targeted goals, roles and responsibilities, timeframe (short/long term), resources needed, barriers to implementation retention/success and measures for progress (benchmarks, such as jobs created, dollars invested, etc.).
- 2.2.6 Effectively communicate to strategic planning stakeholders and make presentations to the six municipal commissions and the county commission on the outcomes of the inclusive and holistic planning process and final economic development strategic and implementation plan. Coordinate with elected officials and staff on public policy revisions, updates and/or additions necessary to support identified strategies, goals, tactics and actionable steps. Also, outline a funding plan to ensure the plan will become a sustainable living document.
- 2.2.7 Upgrade GadsdenFLDev.com and social media strategy to include the plan and become accountable to the identified metrics.

**3. DEO’S and the City of Quincy’s RESPONSIBILITIES:** Throughout the term of this agreement, DEO and the City of Quincy shall:

- 3.1 Monitor the ongoing activities and progress of operating entity, as the City of Quincy and DEO deems necessary, to verify that all activities are being performed in accordance with the Agreement;
- 3.2 Perform Agreement management (the City of Quincy and DEO) responsibilities as stated herein;
- 3.3 Reply to reasonable inquiries pursuant to the Agreement;
- 3.4 Review operating entity’s invoices for accuracy and thoroughness, and if accepted, process invoices on a timely basis; and
- 3.5 Maintain paper or electronic copies of all documents submitted pursuant to Sections 4 and 5 of this Scope of Work.



4. **DELIVERABLES:** Operating Entity agrees to provide the following services as specified:

<b>Deliverable No. 1 – Strategic Planning Leadership Team Formation</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>
Establish strategic planning Leadership Team (cross-section collaboration and engagement representation) and develop a list of initial priorities in accordance with 2.1 and 2.2.1 of this Scope of Work.	Completion of identified tasks in accordance with Sections 2.1. and 2.2.1 of this Scope of Work, evidenced by submission to the City of Quincy and DEO’s Agreement Manager of the following:  1) Draft work plan or action items detailing approved Strategic Planning Leadership Team Members (public and private sectors) with their affiliations.  2) Draft questionnaire for business interviews.  3) Draft listing of Gadsden County based companies to be interviewed to ensure geographic and diverse mix by industry, business type, employee count and longevity.  4) Notices of Meetings and Minutes.  5) Invoice package as defined in Section 5 of this Scope of Work.	Failure to complete the minimum performance measures as specified shall result in non-payment.
<b>Deliverable No. 1 Not to Exceed \$24,641.66</b>		
<b>Deliverable No. 2 – Strategic Activities</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>

**Agreement No. D0150**  
**Florida Department of Economic Opportunity**  
**February 1, 2020 – January 31, 2022**

<p>Complete 75 (minimum) planned business and industry interviews (60% conducted by face-to-face and 40% conducted by Zoom Video Conferencing) and in accordance with Section 2.2.3 of this Scope of Work.</p>	<p>Completion of identified tasks in accordance with Section 2.2.3 of this Scope of Work and 75 (minimum) planned business and industry visits in accordance with Section 2.2.3 of this Scope of Work, evidenced by submission to City of Quincy and DEO's Agreement Manager of the following:</p> <ol style="list-style-type: none"> <li>1) Copy of progress report listing the companies visited outlining top issues for growth, expansion and talent needs. Also, include company's location, type, and number of employees, legal structure, management team, description of products, services, and target market and company history.</li> <li>2) Invoice package as defined in Section 5 of this Scope of Work.</li> </ol>	<p>Failure to complete the minimum performance measures as specified shall result in non-payment.</p>
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<b>Deliverable No. 2 Not to Exceed \$24,641.66</b>		
<b>Deliverable No. 3 Strategic Activities and Community Dialogic Events</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>
<p>Continue business visits in accordance with Section 2.2.4 in this Scope of Work and begin community dialogic events with targeted stakeholder populations in accordance with Section 2.2.4 of this Scope of Work.</p>	<ol style="list-style-type: none"> <li>1) Updated progress report on completed business visits outlining top issues for growth, expansion and talent needs.</li> <li>2) Draft format for dialogic events, including proposed locations, agendas, pictures, presentations, and minutes, number of individuals, moderator(s) and event promotion collateral.</li> <li>3) Invoice package as defined in Section 5 of this Scope of Work.</li> </ol>	<p>Failure to complete the minimum performance measures as specified shall result in non-payment.</p>
<b>Deliverable No. 3 Not to Exceed \$24,641.66</b>		
<b>Deliverable No. 4 – Strategic Activities and Remaining Community Dialogic Events</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>
<p>Complete remaining three community dialogic events with targeted stakeholder populations in accordance with Section 2.2.4 of this Scope of Work.</p> <p>Detail the top 10 priorities resulting from input gathered into an action plan with projected outcomes in accordance with Section 2.2.4 in this Scope of Work.</p>	<ol style="list-style-type: none"> <li>1) Draft format for final three planned community dialogic events where attendees evaluate the state of their community and/or municipality. In addition, information submitted should include proposed locations, agendas, pictures, presentations, and minutes, moderator(s) and event promotion collateral.</li> <li>3) Provide summary by region and municipality the best practices in business growth, community development, in-class jobs skills training and apprenticeships.</li> </ol>	<p>Failure to complete the minimum performance measures as specified shall result in non-payment.</p>

<b>Deliverable No. 4 Not to Exceed \$24,641.66</b>		
<b>Deliverable No. 5 – Finalize Five-Year Strategic Economic Development and Implementation Plan for Gadsden County</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>
<p>Develop and publish the economic development and implementation plan and communicate it with the stakeholders in accordance with Section 2.2.5 and 2.2.6 in this Scope of Work.</p>	<p>Conduct the additional tasks detailed in Sections 2.2.5 and 2.2.6 of this Scope of Work, as evidenced by submission to the City of Quincy’s and DEO’s Agreement Manager of the following:</p> <ol style="list-style-type: none"> <li>1) Final copies of the published plan with metrics and necessary details. Which should include research, interviews and other findings/evaluations in a SWOT analysis to identify aspects of the county and municipalities based on the following aspects: strength &amp; improving; strength but weakening; weakness but improving and weakness &amp; getting worse. In addition, analysis should help to develop a full awareness of all the factors involved in making a holistic and inclusive business and economic development decisions.</li> <li>2) Develop and provide draft of marketing and outreach plan to get the message out to potential investors for sustainability of plan.</li> <li>3) Gather and maintain an up-to-date library of communities’ marketing materials</li> </ol>	<p>Failure to complete the minimum performance measures as specified shall result in non-payment.</p>

	and used in conjunction with County-developed materials at or for meetings, conferences and recruitment related meetings.	
<b>Deliverable No. 5 Not to Exceed \$24,641.66</b>		
<b>Deliverable No. 6 – Finalize Five-Year Strategic Economic Development and Implementation Plan for Gadsden County and the City of Quincy</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>
Upgrade GadsdenFLDev.com and social media strategy to include the plan and become accountable to the identified metrics in accordance with Section 2.2.7 in this Scope of Work.	<ol style="list-style-type: none"> <li>1. Copies of screenshots showing planned updates to GadsdenFLDev.com and related social media channels and link to final updates on GadsdenFLDev.com (Provide website content, how to connect with prospective businesses, how to connect with existing businesses.)</li> <li>2. Invoice package as defined in Section 5 of this Scope of Work.</li> </ol>	Failure to complete the minimum performance measures as specified shall result in non-payment.
<b>Deliverable No. 6 Not to Exceed \$24,641.66</b>		

**Total Not to Exceed (Gadsden County Development) = \$147,850.00**

**COST SHIFTING:** In no event shall DEO or the City of Quincy reimburse costs of more than the total amount of this Agreement.

**5. REPORTING:**

5.1 Quarterly: Grantee shall provide a quarterly report listing all progress relating to the Deliverables in Section 4. Quarterly reports are due to DEO within 30 calendar days after the end of each quarter, until submission of the final invoice package. The ending dates for each quarter of the program year are September 30, December 31, March 31, and June 30. The quarterly report shall include a summary of project progress, indicating percentage of completion of each Deliverable, the Minority and Service-Disabled Veteran Business Enterprise Report, and all additional reports, which are required pursuant to this Agreement. This shall include but not limited to, reports documenting the positive return on investment to the City of Quincy and State that results from Grantee’s project and its use of Award Funds. The summary shall also include any issues or events occurring which affect the ability of the Grantee to meet the terms of this Agreement. If all required reports and copies are not sent to the City of Quincy or DEO or are not completed in a manner acceptable to the City of

Quincy or DEO, payments may be withheld until the reports are properly completed or otherwise allowable by law.

5.2 Minority and Service-Disabled Veteran Business Enterprise Report: Quarterly, Grantee shall provide a Minority and Service-Disabled Veteran Business Enterprise Report for each invoice period summarizing the participation of certified and non-certified minority and service-disabled veteran subcontractors and material suppliers for that period and the project to date. Grantee shall include the names, addresses, and dollar amount and other necessary detailed information.



## AUTHORIZED SIGNATURE FORM

**Florida Department of Economic Opportunity  
Rural Infrastructure Fund, FY 2019-2020 Florida Panhandle  
Specific Appropriation 2314 Application**

The following individuals are authorized to sign all matters relating to the operations and functioning of the City of Quincy as deemed necessary, applicable and in compliance with Federal, State and/or local regulations and laws, and provisions of the City Charter.

Jack L. McLean Jr.

Signature: Jack L. McLean Jr. Date: 11/22/2019

Title: City Manager, City of Quincy, Florida 32351

Keith Dowdell

Signature: Keith Dowdell Date: \_\_\_\_\_

Title: Mayor, Commission and Presiding Officer, City of Quincy, Florida 32351



## RURAL INFRASTRUCTURE FUND FY 2019-2020 FLORIDA PANHANDLE SPECIFIC APPROPRIATION 2314 APPLICATION FORM

### APPLICATION INSTRUCTIONS:

1. Thoroughly review the Rural Infrastructure Fund (RIF) FY 2019-2020 Florida Panhandle Specific Appropriation 2314 Application Form and Instructions.
2. Eligible applicants for the RIF FY 2019-2020 Specific Appropriation are Calhoun, Gadsden, Holmes, Jackson, Liberty and Washington counties and all municipalities within their boundaries.
3. A complete application package includes the following:
  - a. Cover letter on applicant's letterhead submitting the application package and including an itemized list of supporting documentation.
  - b. Completed and signed Application Form. (Note: Completed application must be signed by the chief elected official or be accompanied by a letter of delegation signed by the chief elected official).
  - c. Information/Documentation that cannot be supplied in the space provided on the Application Form - clearly marked with reference to the relevant question.
  - d. Maps and other supporting documentation relevant to evaluation of the application.
4. One original application package, electronic or paper must be submitted.
5. The complete application package must be submitted to DEO no later than **4:00 p.m. on November 22, 2019** and may be submitted via email to [Robin.Liford@deo.myflorida.com](mailto:Robin.Liford@deo.myflorida.com) or mailed to the address below:

Department of Economic Opportunity  
Bureau of Small Cities and Rural Communities  
107 East Madison Street, MSC 160  
The Caldwell Building  
Tallahassee, FL 32399  
ATTENTION: Robin Liford

6. If you have any questions or would like to discuss the project prior to completing and submitting the application package, please contact:

Pam Portwood  
Department of Economic Opportunity  
107 East Madison Street, MSC 160  
The Caldwell Building  
Tallahassee, FL 32399  
Phone: 850-717-8423  
Email: [Pam.Portwood@DEO.myflorida.com](mailto:Pam.Portwood@DEO.myflorida.com)

Robin Liford  
Department of Economic Opportunity  
107 East Madison Street, MSC 160  
The Caldwell Building  
Tallahassee, FL 32399  
Phone: 850-717-8481  
Email: [Robin.Liford@DEO.myflorida.com](mailto:Robin.Liford@DEO.myflorida.com)



## **Purpose**

The Rural Infrastructure Fund (RIF) (Section 288.0655, Florida Statutes) is a reimbursement grant that was created by the Florida Legislature in 1999 to facilitate the planning, preparing, and financing of infrastructure projects in rural communities which will encourage job creation, capital investment and the strengthening and diversification of rural economies by promoting tourism, trade and economic development. This program is also intended to facilitate access to other state and federal infrastructure funding programs.

In 2019, the Florida Legislature created a specific appropriation for the RIF (Section 288.0655(6), Florida Statutes) that is *available only* to the following counties and municipalities within their boundaries: Calhoun, Gadsden, Holmes, Jackson, Liberty and Washington. Eligible uses of these funds include roads or other remedies to transportation impediments; storm water systems; water or wastewater facilities; and telecommunications facilities and broadband facilities.

## **Types of Financial Assistance Available**

Total Project Participation Grants - Grants may be awarded for up to 30% of the total infrastructure project costs related to specific job-creating or job-retention opportunities. The department may award grants for up to 40% of the total infrastructure project costs for a catalyst site, as defined in Section. 288.0656, Florida Statutes.

Eligible uses include improvements to public infrastructure for industrial or commercial sites and upgrades to or development of public tourism infrastructure such as: stormwater systems; telecommunications facilities; broadband facilities; roads or other remedies to transportation impediments.

Project Planning and Preparation Grants - Funding may be awarded for infrastructure feasibility studies, design and engineering or other infrastructure planning and preparation activities. The maximum amount of a grant in this category is \$300,000.

Project Planning and Preparation Grants may be used in conjunction with Total Project Participation Grants provided that the total of both grants may not exceed 30% of the total infrastructure project cost; and 40% of the total infrastructure project cost for a catalyst site.

Preclearance Review Grants - To enable rural communities to access the resources available under the Expedited Permitting – Preclearance Review Process (Section. 403.973(18), Florida Statutes), grants may be awarded for surveys, feasibility studies and other activities related to the identification and preclearance review of land which is suitable for preclearance review. The maximum grant award amount is \$300,000 and requires a 33% local match.

## **Additional Information**

The RIF grant may not be used to pay for administrative fees or cost. At DEO's discretion, funding may be approved for a lower amount than requested in the application. In reviewing the applications, DEO will evaluate the projects based on the following factors:

- The economic impact or benefit of the project to the community or region and its long-term viability
- The project's potential for enhanced job creation or increased capital investment
- The demonstration and level of local public and private commitment
- Whether the project is located in an enterprise zone, a community development corporation area, or an urban high crime area (Section 212.097, Florida Statutes)
- The unemployment rate and poverty rate of the county in which the project would be located
- The extent to which the application seeks to minimize consultant expenses
- The degree to which each application meets program requirements and criteria

## TITLE PAGE

**Project Title** Opportunity for All: Strategies for Inclusive Economic Development  
**Applicant Name:** City of Quincy in partnership with the Gadsden Co Development Council  
**Applicant FEIN:** 85-8012621675C-7  
**Official Contact Name:** Jack McLean  
**Title:** City Manager  
**Mailing Address:** 404 West Jefferson Street  
**City/State/Zip:** Quincy, FL 32351  
**Phone Number:** (850)618-0020  
**Email:** JMcLean@myquincy.net  
**County:** Gadsden

### TYPE OF FINANCIAL ASSISTANCE REQUESTED (Select one)

- TOTAL PROJECT PARTICIPATION GRANT** Grants may be awarded for up to 30% of the total infrastructure project costs (or 40% for catalyst site) related to specific job-creation or job-retention opportunities.
- PROJECT PLANNING AND PREPARATION GRANT** Grants may be awarded for up to \$300,000 for infrastructure feasibility studies, design and engineering or other infrastructure planning and preparation activities.
- PRECLEARANCE REVIEW GRANT** Grants may be awarded for surveys, feasibility studies and other activities related to the identification and preclearance review of land which is suitable for preclearance review. The maximum grant award amount is \$300,000 and requires a 33% local match.

#### Certification Statement

"By signing this title page, the undersigned certifies that:

- This application is in all respects fair and submitted in good faith without collusion or fraud;
- If selected through this application process, the recipient will work in good faith and in partnership with the Department of Economic Opportunity to manage its subgrant in a timely and accurate manner;
- To the best of the undersigned's knowledge, the information included in this application is accurate;
- The undersigned is duly authorized to bind the entity represented within in this application.

  
Signature

City Manager

Printed Name and Title

11/18/2019

Date

## PROJECT LOCATION AND AREA DATA

### PROJECT LOCATION (CITY/COUNTY/ZIP):

Quincy, Gadsden, 32351

Is project located in an Enterprise Zone (EZ)?  YES  NO

If Yes, EZ Number: \_\_\_\_\_

EZ Coordinator Name: \_\_\_\_\_

EZ Coordinator Phone: \_\_\_\_\_

EZ Coordinator Email: \_\_\_\_\_

Is project located in a Community Development Corporation (CDC) area?  YES  NO

If Yes, CDC Name: \_\_\_\_\_

CDC Contact Name: \_\_\_\_\_

CDC Phone: \_\_\_\_\_


CDC Email: \_\_\_\_\_

**PROJECT AREA DATA:** Please provide the information requested for the county area as a whole if the applicant is a unit of county government. If the applicant is a municipality, please provide the information requested for the municipality's area. **Please use the most recent data available and provide the source and date of the information.**

**Population:** 7917 city / 47,810 county **Source/Date:** FL League of Cities / www.opflscorecard.org

**Unemployment Rate:** 3.8% county level **Source/Date:** www.opflscorecard.org

**Poverty Rate:** 24.4% (40.8% of children) **Source/Date:** www.opflscorecard.org

**PROJECT LOCATION MAP:** Please include a project location map that shows the project boundary and other relevant information that will assist in evaluating the application. 

## PROJECT WORK PLAN AND BUDGET

### TAB 1: PROJECT DESCRIPTION -

- Provide a project summary that describes the project’s economic benefit, long-term viability, and potential local or regional economic impact. The summary should include a description of the current and anticipated economic conditions in the area.
- Describe the project’s potential for enhanced job creation or increased capital investment, including but not limited to the following information:
  - ✓ The nature of the business activities which will be conducted at the site of, or which relate to the project.
  - ✓ Description of the capital investment in real and personal property – Please do not include product inventory.
- Describe level of local public and private commitment to the project. Include the extent of local expenditures for construction, use of local firms or resources, or purchase of local equipment or materials which have or will have ripple effects on the area’s economy.
- Describe in detail the project activity or work to be conducted and timeline of the stages of the project from inception to completion, including but not limited to the following information:
  - ✓ A list of all major permits, comprehensive plan amendments, zoning changes and similar approvals required.
  - ✓ Indication of who will own and maintain the infrastructure once completed.

**TAB 2: PROJECT BUDGET** Provide a project budget identifying the amount and source of all funding related to the project, formatted as shown below. Please see EXAMPLE BUDGET on next page.  
**SEE ATTACHMENT**

<u>Description</u>	<u>DEO RIF Amount</u>	<u>Other Funds Amount</u>	<u>Source of Other Funds</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
<b>Sub-Total</b>	<b>\$ _____</b>	<b>\$ _____</b>	

**TOTAL PROJECT COST**

**\$ \_\_\_\_\_**

**EXAMPLE BUDGET  
RURAL INFRASTRUCTURE FUND  
PROJECT SOLAR**

<u>Description</u>	<u>DEO RIF Grant</u>	<u>Other Funds Amount</u>	<u>Source of Other Funds</u>
<b>Property</b>			
Purchase of Land (completed)		250,773	USDA-RD
Engineering Services-Acquisition Phase II		20,441	County
Conceptual Plans/Cost Estimates		18,325	USDA-RD
Platting		11,187	County
Phase I Environmental Assessment		2,840	County
Legal Fees		1,650	County
<b>Construction</b>			
Demolition		48,450	CDBG-ED
Earthwork		466,800	CDBG-ED
Roadway	248,270	150,277	FDOT
Water and Wastewater	320,700		
Stormwater		100,000	FDOT
<b>Engineering Services</b>			
Civil & Lighting Designs, Permits, Bids		145,750	CDBG-ED
Civil & Lighting Inspections		66,103	CDBG-ED
Contingency		45,000	CDBG-ED
<b>Sub-Total</b>	<b>\$568,970</b>	<b>\$1,327,596</b>	
<b>TOTAL PROJECT COST</b>			<b><u><u>\$1,896,566</u></u></b>

### TAB 3: OTHER FUNDING SOURCE/FINANCIAL ASSISTANCE INFORMATION

Please provide the following information for each state and federal infrastructure funding program for which application for financial assistance has been submitted for this project:

Name of Program:	N/A
Name of Agency:	
Contact Person:	
Title:	
Mailing Address:	
City/State/Zip:	
Phone Number:	
Email Address:	
Amount of Funding Requested:	
Status of Application:	As Phase 2 to this project the GCDC would make application to the US EDA Disaster Supplemental to construct utility infrastructure designed in the Gretna RIF grant and this Quincy RIF grant, as well as develop a critical marketing campaign to articulate the new vision of the community.

Provide a copy of each application submitted for financial assistance for this project. *(If you have applied for USDA-RD or US Department of Commerce EDA assistance submit Standard Form 424.2 – Application for Federal Assistance plus a brief narrative of the project. Please do not submit the remaining attachments at the time this RIF Application is submitted.)*

Provide a copy of the approval or commitment letter for any application that has been approved.

**TAB 4: PARTICIPATING PARTY - JOB CREATOR INFORMATION**

Please provide the following information for each entity providing jobs for specific employment opportunity as a result of this project:

Name of Entity:	N/A
Physical Address:	_____
City/State/Zip:	_____
Phone Number:	_____
Email:	_____
Contact Person:	_____
Title:	_____
Mailing Address:	_____
City/State/Zip:	_____
Phone Number:	_____
Email:	_____
Principal Business Activity:	_____
SIC and/or NAICS Code:	_____
Type of Facility:	<input type="checkbox"/> New <input type="checkbox"/> Existing <input type="checkbox"/> Expansion
Number of Permanent FTEs Generated/Retained:	New: _____ Retained: _____
Anticipated <b>annualized</b> average wage ( <b>excluding benefits</b> ) of new jobs created as part of this project.	\$ _____
Annualized average value of benefits associated with each new job:	\$ _____
Number of Construction Jobs:	_____
New Capital Investment Generated:	\$ _____

Description of the capital investment in real and personal property – **do not include product inventory**. (e.g.: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment).

Please include a letter from an officer of the above described entity that includes/verifies the following information:

- ✓ Number and Average Hourly Wage of Permanent FTEs generated/retained
- ✓ Expected amount of Capital Investment
- ✓ Importance of project infrastructure required to its ability to provide the specific employment opportunities.

## **TAB 5: OTHER PROJECT IMPACT INFORMATION AND SUPPORTING DOCUMENTATION -**

Please provide the following additional information and supporting documentation if applicable/available:

- Copy of any overall strategic or specific project plans for the project.
- Copy of relevant sections of officially adopted documents showing that the project is consistent with the community's overall economic/community development strategies (e.g.: Community Revitalization Plans, Enterprise Zone Strategic Plan, Economic Development Strategic Plan, Economic Element of local comprehensive plan).
- Formal documentation that the project is not in conflict with the applicant's comprehensive plan.

## **TAB 6: CONFLICT OF INTEREST -**

The award of financial assistance under this program is subject to the provisions of Chapter 112, Florida Statutes. All applicants must disclose with their application the name of any elected official, officer, director, or agent who is also an employee of the State of Florida, or any of its agencies or boards. Further, all applicants must disclose the name of any Department of Environmental Protection, Florida Fish and Wildlife Conservation Commission staff person, or any DEO, VISIT FLORIDA, or Tourism Commission staff or board member who owns, directly or indirectly, an interest of five percent or more in the company creating the employment opportunities that benefits from the proposed project or the name of any Department of Environmental Protection, Florida Fish and Wildlife Conservation Commission staff person, or any DEO, VISIT FLORIDA, or Tourism Commission staff or board member who represents, directly or indirectly, any interest in the applicant's proposed project or in the company creating the employment opportunities that benefits from the proposed project.





Pam Portwood  
Department of Economic Opportunity  
107 East Madison Street, MSC 160  
The Caldwell Building  
Tallahassee, FL 32399  
**Phone:** 850-717-8423  
**Email:** [Pam.Portwood@DEO.myflorida.com](mailto:Pam.Portwood@DEO.myflorida.com)

Dear Pam,

The City of Quincy, the county seat of Gadsden County, is pleased to partner with the Gadsden County Development Council (GCDC), a 501(c)3 not-for-profit organization recognized through the appropriate MOU with Enterprise Florida as the county economic development organization, in this Rural Infrastructure Fund application for a Project Planning and Preparation Grant in the amount of \$297,800.

As an inland rural county seriously affected by Hurricane Michael, the City of Quincy and the Gadsden County Development Council are leading county stakeholders in strategic planning for long-term economic recovery. A portion of this plan is the continuation of preparing publicly owned land for occupation by new or expanding business and industry, thereby, facilitating job creation and capital investment through sound policy, prepared product and effective marketing.

Gadsden County residents and businesses are served by both municipal water, wastewater, electric and natural gas utilities as well as Talquin Electric Cooperative electric, water and wastewater services that primarily operate in the unincorporated areas of the county. Hurricane Michael caused significant damage to public utility infrastructure in the City of Quincy and to the west in the City of Chattahoochee leaving many residents and businesses without power for weeks. Many agriculture businesses are suffering from the loss of the timber industry. The school system recently had to cancel after school care due to lack of funding. A 30+ year employer, Cal Maine Foods, will close its doors in March 2020 due to damage to facilities from Hurricane Michael and the declining consumer population for the egg industry. The GCDC and CareerSource Capital Region are working closely with the company and the expected 60 dislocated workers to provide skills upgrade training and contact with new and expanding employers. Gadsden County has the highest poverty rate for children under 18 of the 10 counties in the Opportunity Florida Rural Area of Opportunity at 40.8%. ([www.opflscorecard.org](http://www.opflscorecard.org)) We must join together as a community with our k-12 educators and regional health and human services providers to impact this statistic through holistic economic development strategies.

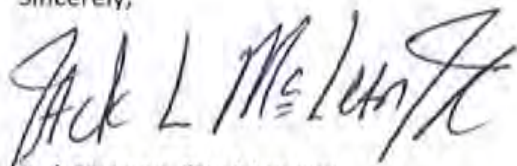
Yes, despite Hurricane Michael and other demographics that are disadvantages for Gadsden County, we have been successful recently in retaining and attracting new industry – specifically DEO RIF supported projects Four Star Freightliner and Hoover Treated Wood Products. This is a practice that we intend to continue with the help of DEO through this Rural Infrastructure Grant by investing in the expansion of the City of Quincy owned Joe Adams Commerce Park located along Pat Thomas Parkway near I-10.

In addition, we have come to realize the difficulty of new and existing employers to find the right talent. This is compounded by the effects of Hurricane Michael leaving families with significant residential damage, little or no childcare, and no transportation to/from work. Soon the struggling local governments, municipal and county, will become responsible for homes and properties that residents have walked away from due to lack of resources to repair and rebuild.

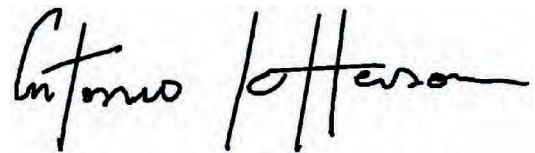
Our goal with this project is to transition FROM reacting and responding to situations defined by someone or something else TO bringing stakeholders together to articulate obstacles and create solutions together.

For all these reasons and more, we invite DEO to support this proposal to create opportunity for all through inclusive economic development strategies that result in a defined and productive talent development pipeline customized to the needs of existing business and new shovel ready product along the I-10 Logistics and Distribution Corridor.

Sincerely,



Jack McLean, City Manager  
City of Quincy



Antonio Jefferson, Chairman  
Gadsden County Development Council

Itemized List of Supporting Documentation

RURAL INFRASTRUCTURE FUND FY 2019-2020 FLORIDA PANHANDLE SPECIFIC APPROPRIATION 2314  
APPLICATION FORM – CITY OF QUINCY

TAB 1: PROJECT DESCRIPTION

TAB 2: PROJECT BUDGET  
SITE INFRASTRUCTURE PLANNING  
HOLISTIC STRATEGIC PLANNING

TAB 5: PAST PERFORMANCE  
RIF GRANTS  
2015 COMPETITIVE FLORIDA COMMUNITY

TAB 6: CONFLICT OF INTEREST STATEMENT AND COMPREHENSIVE PLAN ALIGNMENT

## PROJECT WORK PLAN

### TAB 1: PROJECT DESCRIPTION

- A. Provide a project summary that describes the project's economic benefit, long-term viability, and potential local or regional economic impact. The summary should include a description of the current and anticipated economic conditions in the area.

In August 2019 the Gadsden County Development Council (GCDC), a public-private partnership of industry, education, and government, hosted a two-day community forum to ascertain the appetite of the K-12 educators (public and private) and the critical community-based health and human services organizations (CBOs) to join forces with GCDC stakeholders in developing a holistic five-year economic development strategy geared toward ensuring a talent pipeline to serve existing, expanding and new businesses locating in Gadsden County. Here is a video from the forum:

<https://www.gadsdenfldev.com/gcdc-hosts-forum-with-k-12-educators-and-health-human-services-partners/>



This proposal seeks to augment the existing strategy of site readiness for new investment with a community-based strategy to reverse generational poverty and create excitement in our young people for a future in careers available now in Gadsden County as they exit high school and seek post-secondary training and jobs. This effort will ensure a Talent Pipeline for new businesses like our recent success stories, Four Star Freightliner, Trulieve and Hoover Treated Wood Products, and those existing businesses who are expanding, such as Coastal Forest Resources.

Currently, in Gadsden County, for which the county seat is the City of Quincy, the following demographics are a reality:

**Gadsden County Metrics Source: [www.theFloridaScorecard.org](http://www.theFloridaScorecard.org)**

- Unemployment Rate: 3.8% (declining). Data is not seasonally adjusted.
- Jobs Year Over Year Change: 627. This data is created by subtracting previous year's monthly level of employment in this county from the current month. Data is not seasonally adjusted.
- Housing Permits Issued to Single-Family Homes: 986 (improving).
- Sales Tax Revenue: \$3.82 million per year (declining). This is the amount of Local Option Sales Taxes collected by fiscal year.
- Wealth Migration: \$2.19 million per year. This is the amount of Adjusted Gross Income Gadsden County gains or loses each year from people migrating into and out of the county.
- Poverty Rate: 24.4% (getting worse)
- Poverty Rate for children under 18: 40.8% (getting worse)
- A.L.I.C.E Households: 59%
- High School Graduation Rate: 66.1%
- Land Conservation: 6%. This is the total of local, state, federal and private acres of conservation land, divided by the county area in acres.
- Population: 45,894

**Talent Supply & Education - Gadsden County**

- Kindergarten Readiness: 47% (improving)
- 3<sup>rd</sup> Grade Reading Scores: 37% (declining)
- 3<sup>rd</sup> Grade Math Scores: 55% (declining)
- 8<sup>th</sup> Grade Reading Scores: 33% (declining)
- 8<sup>th</sup> Grade Math Scores: 39% (improving)
- 8<sup>th</sup> Grade Science Scores: 5% (declining)
- High School Graduation Rate: 66.1% (getting higher)
- High School Graduation Rate with Disability: 75% (getting higher)
- Educational Attainment: 23.2% (declining). This is the percentage of Floridians age 25 and older who have at least an Associate Arts Degree
- Persons with Disabilities: 20.3% (getting higher)
- Number of People with Disabilities Working: 936

**Efforts to improve these statistics must:**

- Attract, retain and expand those industries for which we are best suited and that have the highest economic impact
- Engage the business community to determine talent and infrastructure needs so we can properly plan for the future
- Unlock our k-20 education system as economic development assets
- Address disparities through inclusive economic development strategies driven by a partnership of industry, education, local government and community-based organizations
- Assess the role of Housing as an economic driver
- Engage millennials in rural placemaking and the next creative frontier
- Address unconscious bias

- Support entrepreneurial asset development
- Learn from our national and global peers
- Think about emerging industries and how we can create clusters that will support them
- Diversify the funding of economic development to include the private sector

In 2015, through the Competitive Florida program, the GDCDC established the following targeted industries:

- Distribution
- Manufacturing
- Food & Fiber
- Tourism & Retail



Manufacturing is an important component of these targets because it preserves Gadsden’s major employers while supporting growth in the target sector with the highest economic impact. Manufacturing has the highest contribution to Gross Domestic Product (GDP) per capita of any economic sector. According to a Florida TaxWatch November 2019 report titled: *From Grease & Grime to Technology & Talent: A Summary of the 2019 Florida Make More Manufacturing Summit*, Florida is home to more than 20,000 manufacturers representing 381,800 jobs, which is an increase of 10,500 jobs over the past year. Eighty percent of Florida manufacturers have 20 or fewer employees and small businesses comprise 95 percent of all exporters in Florida.

This is significant because Gadsden County’s manufacturers are a good mix of both large manufacturers such as Trulieve (1000 employees), TeligentEMS (over 100 employees) and Coastal Forest Resources

(320 employees) and smaller manufacturers like BASF (82 employees), Applied Fiber (40 employees), Hoover Treated Wood Products (20 employees) and Capital Hydraulics (8 employees). The region is poised to establish a Foreign Trade Zone (FTZ) that will extend to counties surrounding Tallahassee International Airport. This will attract manufacturers, warehouses and distributors looking to receive and add value to goods without having to pay taxes until the inventory reaches the destination for sales and use. Selling goods and services to other markets within the US and internationally, while ensuring a diversified sector mix, can balance the risk associated with a financial downturn or other economic shocks. Of Florida's top 10 exportable products, seven are Manufacturing based.



Manufacturing is especially impactful to the economies of Florida's 29 counties comprising the Rural Areas of Opportunity (RAO), in which Gadsden is part of the Opportunity FL RAO. Rural counties account for 2.13 percent of Florida's GDP, with a goal of doubling the rural share of GDP by 2030. Nine of the top 10 counties for Manufacturing Share of Private Jobs are RAO counties.

When compared to all counties, Gadsden is #15.

	County	Mfg Share of Pvt
1	Taylor	29.85%
2	Liberty	29.63%
3	Dixie	24.70%
4	Suwannee	22.35%
5	Madison	15.13%
6	Brevard	13.60%
7	Wakulla	13.32%
8	Putnam	13.12%
9	Levy	11.96%
10	Columbia	11.33%
11	Gilchrist	11.14%
12	Union	10.99%
13	Glades	10.49%
14	Marion	9.53%
15	Gadsden	9.45%

When only considering RAO counties, that will exclude Brevard and Marion Counties. Therefore, Gadsden would be #13 when only using RAO counties. Hamilton, Calhoun, and Franklin Counties are absent because the numbers of companies are so small that data for these counties are suppressed for privacy reasons. Not just the number of manufacturing companies, the number of their employees.

In Gadsden County, manufacturing as an industry has the highest combined employment (897), average annual wage (\$55,470), and concentration of employers as compared to the nation (0.72). This does not include Trulieve because the cannabis industry is not recognized by the federal bureau of labor statistics. (Source: JobsEQ).

The challenge facing Florida manufacturers is how to continue to increase gross revenue per employee (productivity) and improve Florida's GDP ranking. With a GDP in excess of \$1 trillion, Florida boasts the 17th largest economy in the world with a goal of becoming the 10<sup>th</sup> largest global economy by 2030. The road to achieving this goal is outlined in the Florida 2030 Blueprint, a publication of the Florida Chamber Foundation, to which Gadsden leaders contributed. There are 39 sub-goals across the pillars of

- Talent Supply & Education
- Innovation & Economic Development
- Infrastructure and Growth Leadership
- Business Climate & Competitiveness
- Civics & Governance
- Quality of Life

Goals and outcomes of this proposal are aligned with the Florida 2030 Blueprint goals described here: <https://www.flchamber.com/florida-2030/>, which serves as an outline for metrics of the resulting strategic plan.

Florida Makes, the state Manufacturing Extension Partnership, has developed a three-pronged approach to increasing manufacturing productivity:

Increased adoption of advanced manufacturing technology +

Increased growth in high value markets +

Increased workforce technical skills

Coastal Forest Resources, a local plywood manufacturer is investing \$22,000,000 in new technology to upgrade equipment to industry competitive standards and to reduce the facility environmental footprint. This investment will increase productivity by 20% and will require an additional 30 direct and 9 additional indirect and induced employees. Employee growth is contrary to belief that advancements in technology result in less workers. Without this investment, the plant would close and Gadsden County would lose 350 jobs. Economic Impact:

A key component of this equation is Workforce, also known in today's lexicon as Talent. Employers across industries are facing:

- Shortage of workers for available jobs
- Greying of America's workforce
- Skills gap

Specific concerns of manufacturers are:

- Shifting skill set due to the introduction of new advanced technology and automation
- Negative perception of students and their parents toward the Manufacturing industry
- Baby boomer retirements

The Florida TaxWatch report referenced earlier outlines the following tactics to address Talent Development:

- Tap into Feeder Industries for Talent: Hospitality and Retail teach invaluable soft skills
- Expand Availability of Apprenticeships: This renewed and expanded earn-while-you-learn model his hybrid of applied and classroom learning that produces a valuable team member in less than the time spent in a traditional higher education program



- Training Grants: Florida’s Quick Response and Incumbent Worker Training grants reduce the cost to employers for skills upgrade training. These programs are significantly underutilized in the Gadsden workforce region and will be a significant focus of this effort.
- Increase Opportunities for Military Veterans
- Attention to Career Pathways: <https://www.mycareerpathways.org/> is a new resource that is not widely known or utilized and will become a tool and a resource as part of this effort.
- Utilize Regional Manufacturing Associations (RMA): CareerSource Capital Region is currently deploying a Manufacturing Sector Strategy. A goal is to establish an RMA for the Gadsden, Leon, Wakulla region that will connect to the statewide group of RMAs organized under FloridaMakes, the state manufacturing extension partnership. This will bring much needed technical assistance to local manufacturers and contribute to the growth of GDP in Gadsden County.

Two wrap-around approaches that will positively impact Talent Development are:

- Changing the Dialogue: determining the best way to reach parents and young people about in demand jobs and the low cost opportunities for attainment of credentials that lead to meaningful employment and earnings
- SAIL to 60: Initiative which aims to increase the percentage of working-age Floridians with a high-value postsecondary certificate, degree or training experience to **60%** by 2030

Gadsden County is part of a unique multi-state regional approach to Talent Development for existing, expanding and new industries. [www.flgatalent.com](http://www.flgatalent.com) is a partnership among three south Georgia and three north Florida workforce boards that seeks to develop a thriving talent market to meet the demands of employers, both present and future, along the I-10 and I-95 corridors.

**B. Describe the project’s potential for enhanced job creation or increased capital investment, including but not limited to the following information:**

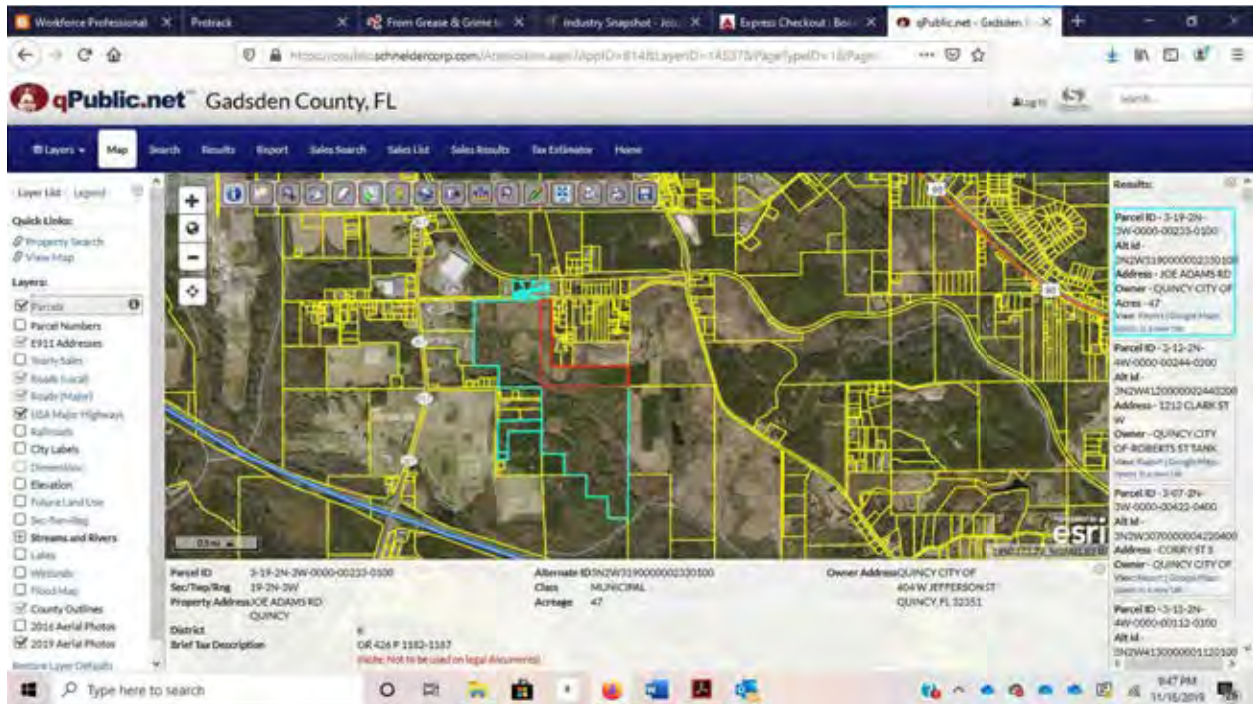
- ✓ **The nature of the business activities which will be conducted at the site of, or which relate to the project.**
- ✓ **Description of the capital investment in real and personal property – Please do not include product inventory.**

With this DEO RIF grant as seed funding, the GCDC can create a sustainable Business, Retention and Expansion (BRE) Talent Development program that will provide critical data towards increasing prosperity for all and achieving the Florida 2030 goals. Intensive business engagement will diversify economic development funding to add private sector funding to the mix. In communities with active BRE programs, 80% of new jobs come from existing industry expansions. Also, the business to business activity increases substantially when employers are aligned in a common community goal(s).

This proposal seeks to add additional light industrial capacity at the I-10 and Quincy interchange by completing a phase 1 environmental and site master plan for the southern portion of the city-owned Joe Adams Commerce Park to the south of Joe Adams Road towards I-10. The City of Quincy municipal utility supplies water, wastewater, electric and natural gas to this park. Expanding the southern portion

has the potential to add an additional 4 million square feet of industrial space to serve manufacturers, warehouses and distributors. The area outlined in turquoise on the map below represents 364.76 acres.

The BRE Strategy and the expansion of the Commerce Park are inextricably linked as existing business expansion plans are realized through BRE programs and can become anchors tenants for shovel ready industrial space.



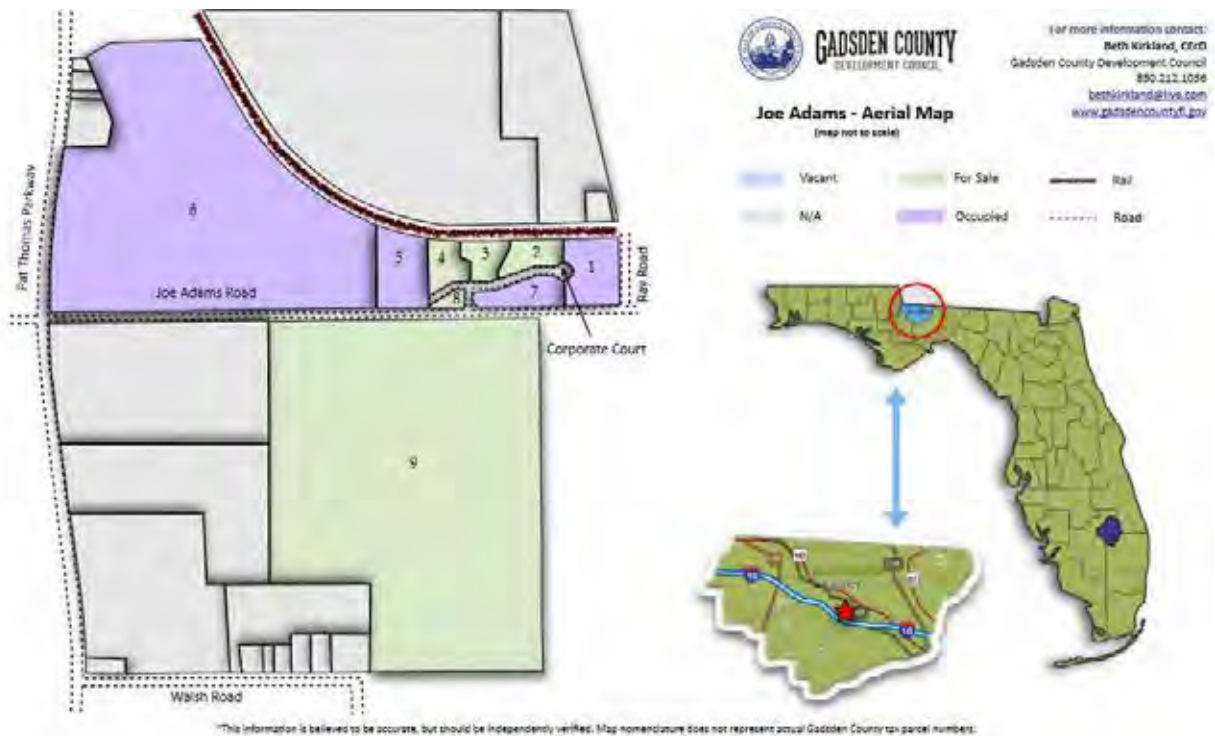
**C. Describe level of local public and private commitment to the project. Include the extent of local expenditures for construction, use of local firms or resources, or purchase of local equipment or materials which have or will have ripple effects on the area's economy.**

Strategic Planning Local Commitment

The Gadsden County Development Council (GCDC) Board of Directors includes investors from industry, education, workforce development and local governments. Gadsden has six municipalities in the county: Havana, Midway, Quincy, Greensboro, Gretna, and Chattahoochee. All six and the county participate financially in the GCDC along with CareerSource Capital Region. The Council qualifies for marketing grants through Enterprise Florida and Opportunity Florida. [Here](#) is a list of our Board of Directors-all local and regional providers including Gadsden employers. The GCDC FY2019-20 Budget (Oct 2019-Sept 2020) has been set at \$119,223 which is a \$100,000 reduction from 2018-19 due to the hits taken by local government budgets from Hurricane Michael.

Now is NOT the time to lose momentum in economic development. We must transition FROM reacting and responding to situations defined by someone or something else TO bringing stakeholders together to articulate obstacles and create solutions together. We must implement inclusive economic development strategies that result in a defined and productive talent development pipeline customized to the needs of existing business and new shovel ready sites along the I-10 Logistics and Distribution Corridor.

## Quincy Joe Adams Commerce Park local commitment



Above is a close up of the Quincy Joe Adams Commerce Park. Eight of the parcels located north of Joe Adams Road have been improved and four of the eight are occupied. These improvements made by the City of Quincy amount to an \$1,250,000 investment including design and construction of roads and utilities. The City of Quincy has two local civil engineering firms approved by the City Commission that are coordinating on the development of this proposal: Dewberry and Hatch Mott.

**D. Describe in detail the project activity or work to be conducted and timeline of the stages of the project from inception to completion, including but not limited to the following information:**

- ✓ A list of all major permits, comprehensive plan amendments, zoning changes and similar approvals required.
- ✓ Indication of who will own and maintain the infrastructure once completed.

Business Retention and Expansion programs, once activated, can continue in perpetuity and will consistently provide a source of data that communities can only get from within. These programs incorporate regular visits with a large swath of existing businesses, both large and small, publicly held and privately owned. The guided conversations with business leaders are based on years of research and are refined to extract details important to both the company and the local governments that provide services to maintain a business-friendly climate. The conversations are also optimized to respect the time commitment of the business leader, knowing their first obligation is to the company. These programs are supported by technology databases that protect trade secrets while aggregating data in a manner that informs policy makers and stakeholders. Gadsden County has not enjoyed this level of data

to date. The success of Competitive Florida and the focus on site readiness and attraction demands that the community focus on developing a talent pipeline and related resources to sustain existing businesses attract new investment.

***Opportunity for All: Strategies for Inclusive Economic Development*** is a holistic approach to economic development planning that includes input from over 60 business interviews and focus groups with K-20 Educators and Community-Based Health and Human Services Partners to develop and synthesize a list of community priorities. In August 2019 the GCDC hosted a two-day community forum with over 30 educators from private, charter, public and higher education and with major health and human services providers such as Capital Area Community Action Agency, United Way of the Big Bend, Big Bend Continuum of Care, ARPC, CareerSource Capital Region, Division of Blind Services, FL Dept of Health, Gadsden Health Council. Feedback was positive towards the need for a holistic five-year economic development strategy geared toward ensuring a talent pipeline to serve existing, expanding and new businesses locating in Gadsden County. Here is a video from the forum:

<https://www.gadsdenfldev.com/gcdc-hosts-forum-with-k-12-educators-and-health-human-services-partners/>

Based on the statistics and demographics outlined earlier in this proposal and the interest of community stakeholders, the GCDC Board of Directors has outlined the following **Strategic Planning Goals and Timeline:**

**Goal 1:** Improve effectiveness of current programs, partners, and funding streams by aligning Service Providers for more integration of the delivery of services to both Job Seekers and Employers.

Strategies:

- Educate strategic leadership on key talent development strategies:
  - Mycareerpathways.org
  - Apprenticeships
  - LinkedIn Insights and LinkedIn Learning
  - Sector Strategies
  - FL GA Workforce Alliance
- Educate strategic leadership on the programs and resources of community-based organizations.
- Identify desired priorities to address economic inequalities.

**Goal 2:** Elevate the involvement of private sector employers to directly address skills gaps and the identification of skills/credentials required for in-demand jobs and just-in-time training programs.

Strategies:

- Obtain private sector stakeholder feedback on identified priorities
- Synthesize diverse viewpoints into a core consensus or mandate
- Refine priorities

**Goal 3:** Continue dialog with the school system (K-20) and community-based partners to build awareness of the types of jobs, both now and in the future, that will employ Gadsden County residents.

Strategies:

- Inform the principals and counselors of the future career projections for the region and align the school systems curriculum with the skills in demand.
- Create a business day in the school system where business owners tell their story and share what talent and skills it takes to be successful.
- Approach the parents at a time and place where they will gather to show the benefits of local career opportunities.

#### **Goal 4: Data Analysis and Priorities Ranking**

##### Strategies:

- Conduct appropriate due diligence on each priority
- Outline a multi-year action plan encompassing projects and programs to be funded
- Garner valuable confidential insight from top community leadership
- Establish preliminary measurable goals for identified projects and programs
- Assess community support for action plan and establish private sector led committee for each major component of the plan
- Measure funding potential among likely investors for sustainability of plan implementation

#### **Project Milestones/Timeline**

##### Milestone 1: 1 month

Deliverable: Project Kickoff Event with Strategic Leadership Team chosen

Deliverable: List of priorities to address economic inequalities and education challenges

##### Milestone 2: 6 months

Deliverable: A minimum of 60 private sector employer interviews to share priorities and obtain feedback/input

Deliverable: Executive Summary of responses

Deliverable: Updated list of priorities

##### Milestone 3: 6 Months

Create public “Longest Table” or “World Café” dialogic events that outline aggregated business talent and infrastructure needs and assist the community in developing the strategies and tactics that will begin to set priorities for change that will improve the prosperity of the county and its citizens.

##### Milestone 4: 2 months

Deliverable: Data-driven white paper on each priority resulting in an action plan including projected outcomes.

Deliverable: White papers synthesized into a Five-Year Strategic Plan for Economic Inclusion.

##### Milestone 5: 3 Months

Wrap up the information collected, publicize the strategies and tactics the community has approved, coordinate with the elected officials on public policy that will be needed to support the tactics and outline funding plan to ensure the plan becomes a living document.

**Quincy Joe Adams Commerce Park:** The project activity and timeline are delineated in Tab 2. Permitting is not anticipated for this portion of the property improvements. The Quincy Comprehensive Plan does

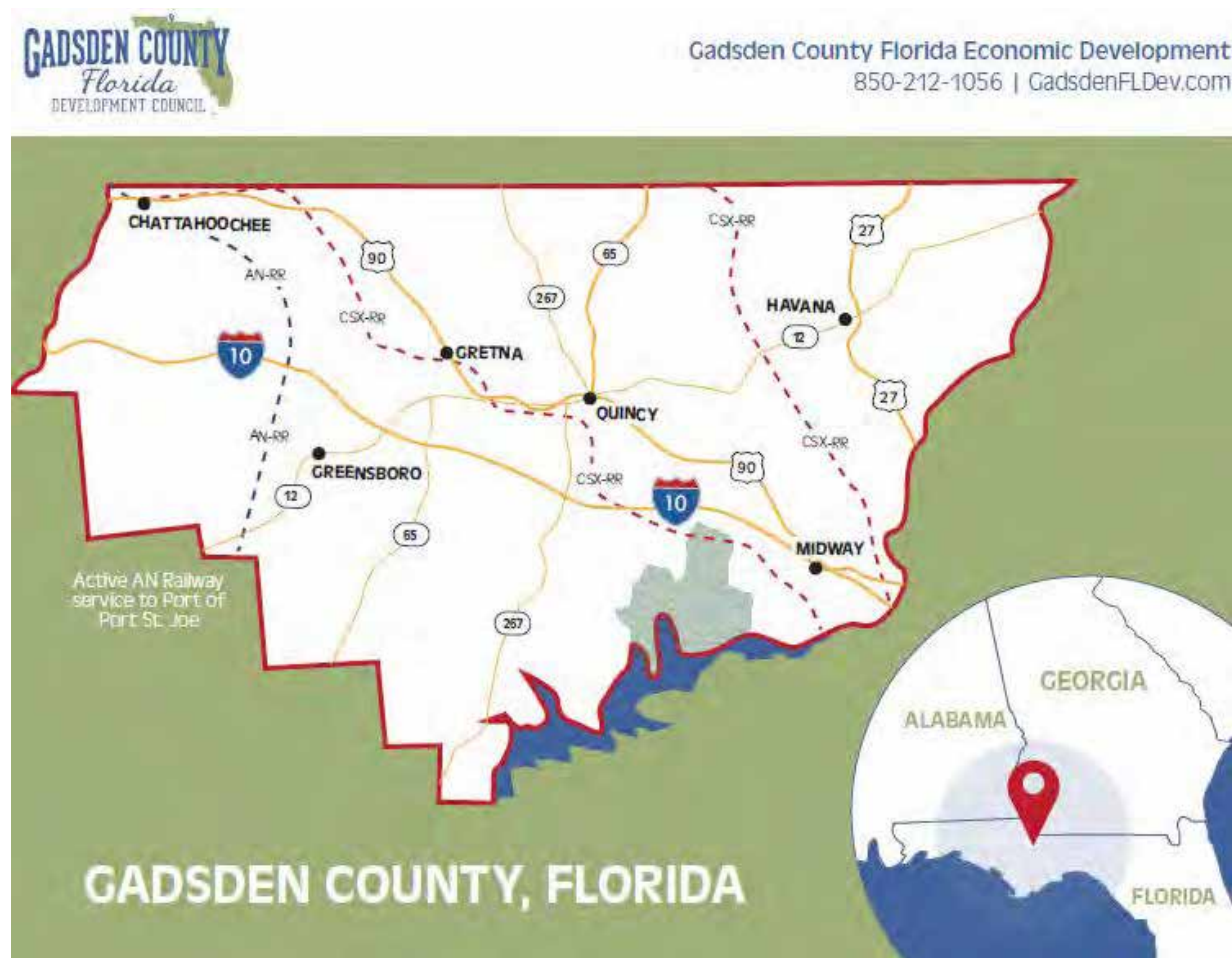
not prohibit the intended industrial use, but may require an update of the future land use from Municipal to Light Industrial. The infrastructure will remain the property of City of Quincy.

**TAB 5: OTHER PROJECT IMPACT INFORMATION AND SUPPORTING DOCUMENTATION**

**A. Please provide the following additional information and supporting documentation if applicable/available:**

- **Copy of any overall strategic or specific project plans for the project.**
- **Copy of relevant sections of officially adopted documents showing that the project is consistent with the community’s overall economic/community development strategies (e.g.: Community Revitalization Plans, Enterprise Zone Strategic Plan, Economic Development Strategic Plan, Economic Element of local comprehensive plan).**
- **Formal documentation that the project is not in conflict with the applicant’s comprehensive plan.**

The fact that Gadsden is experiencing manufacturing, warehousing and distribution capital investment and job growth is not surprising given our designation as a Competitive Florida community and the investment made in Strategic Sites Identification (SSI) proximate to the FDOT Strategic Intermodal System (SIS) assets that are largely distributed throughout Gadsden County.



The SSI program yielded 20 potential industrial sites throughout the county and narrowed the initial focus to preparing new light and heavy industrial product along three of the four I-10 interstate exchanges in Gadsden County. Progress has occurred at the I-10 / 90 exchange attracting Four Star Freightliner and causing private sector investment in the permitting of the new Midway Business Park, a fully entitled 192-acre park.

**GADSDEN COUNTY**  
*Florida*  
DEVELOPMENT COUNCIL

192 acres

fully entitled and utility served

just 10 miles from Tallahassee International Airport

Located at US 90/I-10 interchange

### *Midway Business Park*

Fully Entitled and Ready to Build

Gadsden County, Florida, is teeming with opportunity. From single sites to planned parks, it has a wide array of incredible properties just waiting for your business. The 192-acre Midway Business Park – located on US 90 at the Interstate 10 interchange – is one of those properties. Zoned both light industrial and heavy/light industrial, Midway can meet the demands of almost any industry. It's also fully entitled and served by water, wastewater, electric, and natural gas.

[Learn more about Midway Business Park](#) ▶

We are also seeing progress at the I-10 Gretna / Greensboro interchange through investment in the phase 1 environmental permit and site master plan of 600 acres under option to the GCDC. To attract capital investment and jobs to a site it must be under control, served by utilities and properly zoned and permitted.

# Gadsden County Anchors North Florida Freight Logistics Zone



Gadsden, Liberty, Franklin and Gulf Counties recently announced the establishment of the Gulf to Gadsden Freight Logistics Zone (FLZ). A FLZ is a grouping of activities and infrastructure associated with freight transportation and related services that is a platform for broader economic development. Establishment of the FLZ can provide the counties with priority for public funding when pursuing certain projects within the FLZ.

The new Freight Logistics Zone will connect communities, improve infrastructure for freight transportation and strongly impact the local economies.

Gadsden, Liberty, Franklin, and Gulf counties share a common transportation asset in the Apalachicola Northern Railway, owned by St. Joe Company and operated by Genesee and Wyoming Railways. The railroad connects the Port of Port St. Joe in Gulf County with the CSX Class I railroad in Gadsden County, thereby providing for the movement of goods across the nation.



A number of industrial sites have been identified and qualified by Enterprise Florida's Strategic Sites program (EF SSI) along the railroad and proximate to additional transportation assets. Interstate 10 and major arterial roads like Highways 65, 71 and US 98 together with the Apalachicola Regional Airport in Franklin County

Included below is the successful Competitive Florida Strategy and the resulting success. Under the leadership of the county seat, City of Quincy, this DEO RIF grant will make a significant impact on the long-term economic recovery of Gadsden County.





## Gadsden County, Florida

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# Competitive Florida Partnership Program Economic & Tourism Development Strategy



## Gadsden County Economic and Tourism Development Goals, Objectives, & Strategies

The Gadsden County Economic Development Strategy is created to not only induce local growth for business, industry, and tourism, but to coordinate better at the regional level in these efforts. Both the Gadsden County Development Council (GCDC) and the Tourism Development Council have been involved with the process to develop these strategies. In addition, outreach included two community meetings which were facilitated by a professional facilitator. These meetings gained valuable insight from the residents of Gadsden County, from the business, tourism and community groups. Recently, the Tourism Development Council has held visioning sessions in preparation of the update to that corresponding Strategic Plan. In parallel, the GCDC has been implementing a balanced economic development strategy of facilitated growth, competitive projects and market-driven growth.



**Mission: To foster a diverse economy and to support the growth and development of our workforce.**

### **GOAL 1: BUSINESS DEVELOPMENT - Grow Gadsden Business and Industry**

#### ***Objectives and Strategies***

- A. Increase the County tax base through business expansion and attraction.
  - 1. Prepare and promote Gadsden County products by making ready buildings, sites and workforce.
  - 2. Engage existing businesses, economic development stakeholders and site consultants with this strategy and other economic development plans, as applicable.
- B. Facilitate job creation and capital investment at wages that are at minimum 100% of the average annual wage in Gadsden County.
  - 1. Focus on growing targeted sectors that pay at or above the average annual wage of the county.
  - 2. Establish and market a pro-business climate with appropriate tax incentives and other inducements.
- C. Elevate and coordinate workforce training and workforce development resulting in an increase in the median household income by 2018.

1. Engage the regional workforce board, approved training providers and social support agencies in the development of a holistic strategy.
2. Establish training programs that mirror business prospects in target industries.
3. Market programs to qualified trainees and job seekers.

## **GOAL 2: TOURISM DEVELOPMENT – Promote Tourism Activities and Opportunities**

### ***Objectives and Strategies***

- A. Expand awareness of Gadsden County Tourism Development Council (TDC) resources.
  1. Conduct a marketing campaign and promote TDC purpose by October 2016.
  2. Generate Public Service Announcements to promote tourism.
  3. Market the TDC Event Grant program and Marketing Funds program to induce local investment in creating tourism activities within Gadsden County.
- B. Identify and partner with ambassadors to help develop Gadsden County as a tourist destination.
  1. Create partnerships through branding and educational sessions with local tourism industry representatives.
  2. Coordinate with the Chattahoochee Main Street, the Quincy Main Street, and the Quincy Community Redevelopment Agency as well as the Gadsden County Chamber of Commerce to develop ambassadors to sell Gadsden County as a tourist destination.
- C. Determine the assets which are ready for promotion as a vacation destination.
  1. Conduct an inventory of tourism assets within the County.

## **GOAL 3: COMMUNITY DEVELOPMENT – Foster Collaboration Among all Governments and Agencies**

### ***Objectives and Strategies***

- A. Encourage and support community visioning activities in each municipality.
  1. Engage each municipality to conduct a series of community visioning workshops to gather input and elicit public stakeholder support to identify key community issues.
  2. Develop a Strategic Vision Plan in each municipality with broad and diverse community support.
- B. Foster cooperative land use planning efforts among the six municipalities and the county.
  1. Create a joint planning task force which includes a representative from the Regional Planning Council, each municipality, and the county to propose policies for land use planning documents that will promote economic development initiatives.
  2. Task the joint planning task force to also coordinate sustainable land use planning efforts on a countywide and regional basis.
  3. Coordinate a method to provide information between the County and the municipalities on updates to local comprehensive plans and land development regulations.

- C. Upgrade utilities infrastructure to meet the needs of expanding businesses and targeted sites proximate to transportation assets.
  - 1. Identify utilities/infrastructure needs at the four (4) I-10 interchanges and other key locations near transportation hubs/assets to be prepared for prospective business and industrial development demand.

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## Gadsden County Economic and Tourism Development Action Items

Based on the Goals, Objectives and Strategies listed above, an Implementation Table which identifies the organization responsible for the achievement of each task, as well as an estimated date of completion, has been compiled. This table will be reviewed as needed, to determine if the tasks have been completed by the anticipated dates, and updated as applicable.

### Implementation Table

TASK	STAKEHOLDER RESPONSIBLE	ESTIMATED DATE OF COMPLETION
<b>BUSINESS DEVELOPMENT</b>		
Apply for funding to support desktop engineering phase of EFI Strategic Sites Inventory Program	GCDC	Fall 2015
Update EFI Buildings & Sites database with documented industrial parks data	GCDC	10/1/2015
Finalize and adopt county incentive policy	GCDC and BOCC	12/30/2016
Partner with national economic development marketing firm to develop and implement a comprehensive communications and marketing strategy	GCDC	7/30/2015
Hold Workforce Development Consortium Kickoff Meeting	GCDC	7/15/2016
<b>TOURISM DEVELOPMENT</b>		
Conduct marketing campaign	TDC	9/30/2016
Develop Ambassador Program	TDC	4/30/2016
Asset mapping for tourism attractions.	TDC	12/31/2015
<b>COMMUNITY DEVELOPMENT</b>		
Meet with each City Council to encourage each municipality to conduct a series of community visioning workshops to establish a strategic vision plan.	GCDC and BOCC	7/15/2016
Each municipality apply for a DEO Technical Assistance Grant to develop a local strategic community vision plan.	City of Chattahoochee City of Greensboro City of Gretna City of Havana City of Midway City of Quincy	5/29/2015 (completed) 6/2016 6/2016 6/2016 6/2016 6/2016

TASK	STAKEHOLDER RESPONSIBLE	ESTIMATED DATE OF COMPLETION
Appoint a liaison for the joint planning task force from each municipality.	GCDC, BOCC, and all municipalities	8/30/2016
Initiate an intergovernmental coordination mechanism for sharing updates and changes to local comprehensive plans and land development regulations.	GCDC, BOCC, and all municipalities	12/30/2016
Identify infrastructure needs at the four (4) Interstate interchanges.	City of Chattahoochee (Exit 166) City of Gretna/Greensboro (Exit 174) City of Quincy (Exit 181) City of Midway (Exit 192)	10/30/2016



**GADSDEN COUNTY**  
DEVELOPMENT COUNCIL

## Gadsden County Economic and Tourism Development Summary

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The Gadsden County Development Council (GCDC) is the lead agency in Gadsden County for economic development and business and retention initiatives. The Board of County Commissioners has vested in this organization, and continues to support their efforts. The GCDC has been working towards gathering best practices in economic development and evaluating what will best work for the local needs.

Gadsden County continues to be a prime example and location for economic development prospects. With our geographical position in the Southeastern United States, where we are also located between three expanding sea ports, and significant higher education assets due to the close proximity to Tallahassee, Gadsden County is in an ideal position to design and effective economic development strategy. The GCDC is currently leveraging many underutilized resources, while simultaneously engaging a growing number of stakeholders in the design and implementation of these strategies. This will make Gadsden County more attractive to higher education, tourism, and private sector investors as well as competitive in federal and state grant solicitations. Major 2014-15 accomplishments include:

- Completing year 1 of the DEO Competitive Florida Partnership Program yielding this comprehensive County strategy
- Achieving county representation on all state and many regional and national economic development agencies and organizations thereby spreading the value of investing in Gadsden County
- Documentation/profile of five (5) industry/business/commerce parks throughout the county
- Western most county to participate in the Duke Energy funded Enterprise Florida Strategic Sites Inventory Program to identify the next generation of industrial sites in Florida according to low wetlands and proximity to Florida DOT State Intermodal System (SIS) assets
- Designed and hosted first regional economic development forum attracting over 10 counties, state, federal and local stakeholders including three (3) national economic development site and marketing consultants
- Spearheaded regional summit on transportation assets (interstate, rail and port) connecting counties from Gadsden to Gulf in an effort to establish a Freight Logistics Zone (2015 HB 257)



# GADSDEN COUNTY

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DEVELOPMENT COUNCIL

## Greetings Gadsden County,

It's hard to believe this is our fifth year in the *Havana Herald Outlook!* The Gadsden County Development Council (GCDC) is pleased to share with you the metrics of economic development advancement in our community, which include a mix of entrepreneurial activity, talent development and expanded infrastructure. Did you know that **Hoover Treated Wood Products** required extension of water and natural gas lines from Highway 27? This effort doubled the gas revenues for the Town of Havana, thereby increasing revenues available for services. **Four Star Freightliner** (FSF) has been operational at their new location in Midway for almost one year. They recently doubled the highest monthly sales revenue ever achieved in the past 14 years and have hired seven new employees. The company is partnering with **Gadsden Technical Institute** (GTI) to provide Diesel Systems Tech training through GTI at FSF. Please join us in congratulating **Angel Care with a Vision** for creating a much needed Assisted Living Facility in Chattahoochee. Through an investment from the **Apalachee Regional Planning Council's** Revolving Loan Fund, Ms. Ceasor is taking the next step to expand her services. Due diligence continues on the Gretna - Greensboro 600-acre proposed intermodal logistics center located in the **Gulf to Gadsden Freight Logistics Zone**, improving our competitiveness. A major industrial warehouse in the heart of the **Quincy CRA** is transitioning from one user to another with zero vacancy due to effective and coordinated marketing. The GCDC is proud to contribute to Gadsden County's tax base through this collection of organic, facilitated and competitive economic development efforts. We are committed to continued successes in 2019.

Sincerely,

*Antonio Jefferson*, Chairman

*Beth Cicchetti*, CECD, Executive Director



**Antonio Jefferson**  
City Manager, Gretna

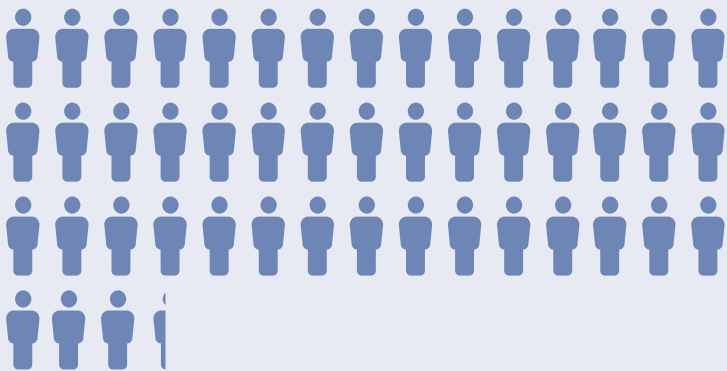


**Beth Cicchetti, CECD**  
Executive Director, GCDC

Facilitating Job Creation and Capital Investment in Gadsden County through Prepared Product, Sound Policy and Effective Marketing

## General Statistics

POPULATION = 48,260  = 1,000



Unemployment Rate



24.4%



Poverty Rate

Per Capita Income



Income/Migration



Sales Tax Revenue



HS Graduation Rate



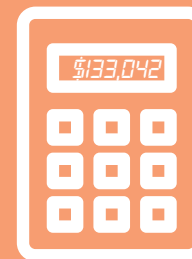
Improving 

Declining 

## Economic Impact



## New to Gadsden



Ad Valorem Tax  
**\$133,042\***

\*will increase as TPP is incorporated

# 2:1

From 2014 to 2017, the Gadsden County Development Council matched the county's four-year investment of \$540,000 with \$1,024,413 - almost 2 to 1.

GADSDEN COUNTY  
Florida  
DEVELOPMENT COUNCIL

## Greenfield Developments

Four Star Freightliner Economic Impact



Jobs



New Tax Revenues



Increase Area Payrolls

Hoover Treated Wood Products



Jobs



New Tax Revenues



Increase Area Payrolls





November 21, 2019

Pam Portwood  
Department of Economic Opportunity  
107 East Madison Street, MSC 160  
The Caldwell Building  
Tallahassee, FL 32399  
**Phone:** 850-717-8423  
**Email:** [Pam.Portwood@DEO.myflorida.com](mailto:Pam.Portwood@DEO.myflorida.com)

Dear Pam,

This letter is written in support of the Quincy application for the Planning and Preparation Rural Infrastructure Fund grant.

This letter certifies that the intended use of the land for which due diligence is to be conducted is not prohibited by the Quincy Comprehensive Land Use Plan. The land is owned solely by the City of Quincy.

This letter also states that no Quincy City Commissioner is employed by the state of Florida.

Sincerely,

A handwritten signature in blue ink that reads "Jack L. McLean". The signature is stylized and includes a large flourish at the end.

Jack McLean  
City Manager

**Joe Adams Commerce Park Expansion**

ITEM	DESCRIPTION	Unit	Cost	Duration	Other Funds	Source of Funds
	<b>Phase 1 of the Park - 30 acres North of Joe Adams Road</b>					
	Lift stations, electric transformers, 2000 ft of underground wiring, paving, curbing and storm water facility.				\$1,250,000.00	City of Quincy
	Fire Station				\$1,000,000.00	City of Quincy
	<b>Phase 2 of the Park - 364.76 acres South of Joe Adams Road</b>					
	<b>Land Use</b>					
	10 acres of solar			>365 days*	\$3,800,000.00	City of Quincy
	Comprehensive Plan Amendment Industrial -354.76 acres	LS	\$4,500.00	180 days		
	<b>Environmental Phase I</b>					
	Phase I Report	LS	\$11,500.00	90 days		
	Culture Clearance (SHPO)	LS	\$7,500.00			
	Site Ecological Report	LS	\$3,500.00			
	<b>Wetland Evaluation</b>					
	Wetland Delineation & UMAM Determination	LS	\$8,900.00	30 days		
	<b>Geotechnical Investigation</b>					
	Preliminary Geotechnical Report - limited (5 borings)	LS	\$8,500.00	30 days		
	<b>Survey</b>					
	Topographic survey and Wetlands line	LS	\$25,250.00	45 days		
	<b>Preliminary Engineering Report &amp; Environmental Documentation</b>					
	Preliminary Engineering Report	LS	\$32,500.00	180 days		
	Environmental Impact Analysis	LS	\$16,650.00			
	<b>Preliminary Site Master Plan</b>					
	Preliminary Layout lots/stormwater/utility corridor	LS	\$17,500.00	120 days		
	Grading & Stormwater plan	LS	\$10,250.00			
	Transportation Impact Analysis	LS	\$3,400.00			
	<b>TOTAL ESTIMATE OF INFRASTRUCTURE STUDY</b>		<b>\$149,950.00</b>	<b>365 days</b>	<b>\$6,050,000.00</b>	

\*Solar project has a longer scope

**Opportunity for All: Inclusive Strategies for Economic Development**

ITEM	DESCRIPTION	Unit	Cost	Duration	Other Funds	Source of Funds
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Gadsden County Development Council (GCDC) FY2019-20 Budget					\$119,223.00**	GCDC
<b>Project Milestones/Timeline</b>						
Milestone 1: Project Kickoff Event with Strategic Leadership Team	32 hours to plan, execute and synthesize data at \$135/hr	\$4,320.00	1 month			
Deliverable: List of priorities to address economic inequalities and education challenges						
Milestone 2: A minimum of 60 private sector employer interviews to share priorities and obtain feedback/input	6 hrs per visit at 60 visits at \$135/hr	\$48,600.00	6 months			
Deliverable: Selection and implementation of dedicated industry recognized Business Retention Expansion technology tool						
Deliverable: Executive Summary of responses						
Deliverable: Updated list of priorities						
Milestone 3: Create public "Longest Table" or "World Café" dialogic events that outline aggregated business talent and infrastructure needs and assist the community in developing the strategies and tactics that will begin to set priorities for change that will improve the prosperity of the county and its citizens.	6 dialogic events at 40 hours per event at \$135/hr	\$32,400.00	6 months			
Deliverable: Updated List of Priorities						
Milestone 4: Data-driven white paper on each priority resulting in an action plan including projected outcomes.	10 priorities at 10 hours each at \$135/hr	\$13,500.00	2 months			
Deliverable: White papers synthesized into a Five-Year Strategic Plan for Economic Inclusion.						
Milestone 5: Wrap up the information collected, publicize the strategies and tactics the community has approved.		\$49,030.00	3 months			

	Deliverable: Coordinate with the elected officials on public policy that will be needed to support the tactics.	7 local governments at 24 hours each at \$135/hr	\$22,680.00			
	Deliverable: Outline funding plan to ensure the plan becomes a living document.	10 hours at \$135/hr	\$1,350.00			
	Deliverable: Upgrade GadsdenFLDev.com website and social media strategy to publicize the 5-year plan	25,000	\$25,000.00			
	<b>Total of Holistic Strategic Planning Process</b>		<b>\$147,850.00</b>	<b>18 months</b>	<b>\$119,223.00*</b>	
	<b>Total Planning &amp; Preparation Grant Request</b>		<b>\$297,800.00</b>	<b>18 months</b>	<b>\$6,169,223.00</b>	

Annual budget for GCDC includes execution of current marketing investments, project development and association management. Budget has been cut by \$100,000 since Hurricane Michael.

# Sheriff



**Morris A. Young**

**Gadsden County**

PHONE (850) 627-9233

P.O. BOX 1709  
QUINCY, FLORIDA 32353-1709

November 14, 2019

Mr. Jack L. McLean Jr.  
City Manager  
City of Quincy  
404 W. Jefferson Street  
Quincy, Florida 32351

Dear City Manager:

We are writing to express enthusiasm and endorsement of the City of Quincy's application for funding under the Rural Infrastructure Fund, FY 2019-2020 Florida Panhandle Specific Appropriation 2314. The City of Quincy will be submitting an application for a project planning and preparation grant in partnership with Gadsden County, Florida Development Council. The funds will be used for an infrastructure feasibility study, design and engineering for expansion of our City of Quincy's Business Park located on Joe Adams Road.

The requested funding will allow the City of Quincy to create or expand social enterprises that will work to reduce personal or community barriers and provide economic support through the creation of employment and business opportunities for individuals and families with low incomes. The bonus for the City is that it will create jobs that could lead to increased self-sufficiency for individuals and families and will strengthen the economic life of the rural community itself.

For our rural area, the path to finding and keeping a job with decent wages and advancement opportunities is strewn with obstacles. There is a strong connection between employment opportunities, housing and poverty. It is intuitive that people who have access to full-time, year-round employment are less likely to be living in poverty. Our rural area could benefit from this funding is job creation and building a stronger economy for Gadsden County, as well as, the City of Quincy.

We fully support the application of the City of Quincy in seeking funding for infrastructure planning and preparation activities. The Gadsden County Sherriff's Department believes it will have a meaningful and sustainable impact on the community in the areas of economic development, employment, human services and self-sufficiency.

Sincerely,

Morris A. Young  
Sheriff, Gadsden County

# QUINCYCRA

## Quincy Community Redevelopment Agency

November 7, 2019

Pam Portwood, Community Program Manager  
Department of Economic Opportunity  
107 E. Madison St, Caldwell Building, MSC 160  
Tallahassee, Florida 32399


Dear Mrs. Portwood:

On behalf of the Quincy Community Redevelopment Agency, it is with great enthusiasm that I submit this letter of support for the City of Quincy's grant application to the Rural Infrastructure Fund (RIF). When awarded, the City of Quincy would use support from the Rural Infrastructure Fund to complete a feasibility study and environmental surveys necessary to finalize a plan for attracting new businesses to the Quincy Business Park. The Quincy Business Park Planning and Preparation project appears to be compatible with the RIF's purpose "to facilitate the planning, preparation and financing of infrastructure projects in rural communities which will result in job creation, capital investment and the strengthening and diversification of rural economies by promoting tourism."

The aforementioned grant proposal is consistent with the purpose and mission of the Quincy CRA. The Quincy Community Redevelopment Agency (CRA) was created on December 8, 1998 by the City of Quincy, Florida, City Ordinances 896 and 982, to help in its redevelopment efforts. The purpose of the Quincy Community Redevelopment Agency is to remove slum and blight by enhancing the tax base and economy of the City within the CRA District.

Again, the Quincy CRA offers its strongest possible endorsement of this grant proposal which will help the City of Quincy to prepare the Quincy Business Park to attract quality jobs and new capital investment to our great city. Should you have require any further comments, please feel free to contact me directly at Quincy CRA, 208 North Adams Street, Quincy, Florida 32351 or [robnixon@tds.net](mailto:robnixon@tds.net).

Sincerely,

  
Rob Nixon

CRA Manager

# **Update on Police and Fire Pension**

## **The Quincy Police Officers' and Firefighters' Pension Fund Opt Out Provision**

### **OVERVIEW**

The Firm of Michael J. Stebbins issued correspondence to the City of Quincy detailing that in September 2018 the Quincy Police Officers' and Firefighters' Pension Fund Board of Trustees met for its quarterly meeting discussing a letter from the Florida Bureau of Local Retirement Systems which requested that the Pension Plan be amended by eliminating the provision that allows participants to opt out of the Pension Plan. The Bureau had expressed that this lack of action to eliminate the opt out provision would jeopardize the receipt of future premium tax revenues by the Pension Plan.

The Bureau conducted a review in August 2018 of the plan provisions and stated that the Plan allows police officers and firefighters to opt out of the participation within the first 30 days of employment with the City. It also noted that Chapters 175 & 185, Florida Statutes, do not contain provisions that allow optional participation for employees who meet the definition of firefighter or police officer contained in subsections 175.032(11) or 185.02(16), Florida Statutes; only the fire chief or police chief can opt out of the plan.

At the September 2018 meeting, the Board of Trustees approved recommending that the City of Quincy amend the Pension Plan, as described. The Quincy Police Officers' and Firefighters' Pension Fund Board of Trustees revisited this matter on the September 12, 2019 meeting and again approved the recommendation of the City of Quincy to amend the Pension Plan, as described. To date, this amendment has not been discussed and approved by the Commissioners so it can go into effect.

### **IMPACT OF THE AMENDMENT NOT BEING IN EFFECT**

After several meetings being held by various Quincy staff members and the Quincy Police Officers and Firefighters, Pension Board Administrator and Pension Plan Attorney, and Bureau Chief, the following is the impact of the amendment not being passed:

1. The City will not be receiving future premium tax revenues for the Quincy Police Officers' and Firefighters' Pension Fund until the opt out provision has been eliminated.
2. The City's cost has increased from 49.10% (\$424,576) for fiscal year ended 09/30/2018 to 62.50% (\$518,900) of the pensionable payroll for fiscal year ended 09/30/2019. In fiscal year ending 9/30/2018 the State contributed \$104,390.
3. Our actuarial consultants, Foster & Foster, on September 6, 2019, notified the City that the State of Florida Division of Retirement had announced a \$122,500.89 distribution being held and would not be distributed.
4. Quincy Attorney, Mr. Roberts has stated that these funds (\$122,500.89) are *NOW* being released due to a negotiation process recently completed in this matter.

### **ACTION REQUIRED OR RECOMMENDED**

City of Quincy make a decision as to whether or not they are able to subsidize the cost not covered by the State and the increased cost of having less participants in the plan and more participants being paid retirement benefits.