

**Minutes**  
**Town of Lake Park, Florida**  
**Regular Commission Meeting**  
**November 16, 2005 7:30 p.m.**  
**Town Commission Chambers, 535 Park Avenue**

The Town Commission met for the purpose of a Regular Commission Meeting on Wednesday, November 16, 2005 at 7:30 p.m. Present were Mayor Castro, Vice-Mayor Garretson, Commissioners Balius, Carey, and Daly, Town Manager Paul Carlisle, Town Attorney Thomas Baird, and Town Clerk Stephanie Thomas.

Town Clerk Stephanie Thomas led the Invocation.  
Vice-Mayor Garretson led the Pledge of Allegiance.  
Town Clerk Stephanie Thomas performed the Roll Call.

**ADDITIONS/DELETIONS/APPROVAL OF AGENDA**

None.

**Motion: A motion was made by Vice-Mayor Garretson to approve the November 16, 2005 Regular Commission Meeting Agenda; Commissioner Balius made the second.**

Vote on Motion:

Commission Member	Yes	No	Other
Commissioner Balius	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		
Mayor Castro	X		

Motion passed 5-0.

**PRESENTATION:**

Presentation by Scott Porter regarding Official Financial Statement. (See "Exhibit A")  
Mr. Porter gave an overview and explained the layout of the Financial Statement and future format.  
Mayor Castro thanked Mr. Porter for attending and presenting the Financial Statement to the Commission.

Proclamation recognizing November as National Hospice and Palliative Care Month.  
Dee Johnson accepted the Proclamation on behalf of Hospice.

**Motion: A motion was made by Commissioner Balius to approve the Proclamation;  
Vice-Mayor Garretson made the second.**

Vote on Motion:

Commission Member	Yes	No	Other
Commissioner Balius	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		
Mayor Castro	X		

Motion passed 5-0.

**PUBLIC and OTHER COMMENT**

The following person(s) addressed the Commission:

*Todd Dry, 340 10<sup>th</sup> Street* – Expressed his concern regarding the roofing material restrictions set for Park Avenue as well as the rezoning of 10<sup>th</sup> Street.

**CONSENT AGENDA:**

Commission Meeting Minutes of October 19, 2005.

Commissioner Balius stated that the wording on page 11 regarding the FEC debris was incorrect. Commissioner Balius stated that the FEC left debris on the vacant lot not in the old Fire Station.

**Motion: A motion was made by Vice-Mayor Garretson to approve the Consent Agenda as amended; Commissioner Carey made the second.**

Vote on Motion:

Commission Member	Yes	No	Other
Commissioner Balius	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		

Mayor Castro	X		
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Motion passed 5-0.

**PUBLIC HEARING(S)**

**ORDINANCES ON SECOND/ADOPTION:**

**ORDINANCE NO: 15-2005 - Opting out of Early Voting.**

**AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, EXEMPTING THE TOWN OF LAKE PARK FROM THE PROVISIONS OF SECTIONS 101.657, FLORIDA STATUTES SPECIFICALLY RELATED TO EARLY VOTING; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.**

**Public Hearing Opened.**

*None.*

**Public Hearing Closed.**

**Motion: A motion was made by Commissioner Carey to approve Ordinance 15-2005; Commissioner Daly made the second.**

Vote on Motion:

Commission Member	Yes	No	Other
Commissioner Balius	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		
Mayor Castro	X		

Motion passed 5-0.

**DISCUSSION AND POSSIBLE ACTION**

*Lake Park Harbor Marina Security Bid Award.*

Town Manager Paul Carlisle explained that at the Commissions request the two (2) prospective bidders for the Marina Security Services were present. Town Manager Paul Carlisle introduced Bob Windish of Diamond Detective Agency. Diamond Detective Agency bid for Security Services was \$37,088.34.

Bob Windish of Diamond Detective Agency, from Chicago, Illinois, gave a presentation.(See "Exhibit B") Joe Torro from the Diamond Detective Agency's Miami office was available to answer any questions. Mr. Windish gave an overview of the company and there operation.

Advanced National Security bid for Security Services was \$45,864.00. Robert Wummer of Advanced National Security gave a presentation. (See "Exhibit C") Mr. Wummer gave an overview

of the company. Mr. Wummer indicated that he lives on Shore Drive, and has a boat docked at the Marina. Mr. Wummer answered questions posted by the Commission. Commissioner Carey asked if the K9 dog that Mr. Wummer had indicated in his presentation would be present. Mr. Wummer stated that the K9 dog cost more than the total given. Mr. Wummer indicated that the K9 service is available should the Commission want to contract for this service.

Mayor Castro clarified by stating that the Palm Beach County Sheriff's Office should be contacted by the security service personnel instead of the security service personnel confronting anyone that is causing an issue at the Marina.

Town Manager Paul Carlisle stated that there was not much difference in the amounts proposed from both bidders.

**Public Comment Opened.**

*None.*

**Public Comment Closed.**

**Motion: A motion was made by Commissioner Daly to award the bid to Advanced National Security; Commissioner Balius made the second.**

Vote on Motion:

Commission Member	Yes	No	Other
Commissioner Balius	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		
Mayor Castro	X		

Motion passed 5-0.

Mayor Castro thanked Bob Windish and Joe Torro of Diamond Detective Agency for giving their presentation and spending time with the Commission. Mayor Castro indicated that the advantage that Advance National Security had over Diamond Detective Agency was that they were local. Advanced National Security has an accomplished record in the county. Diamond Detective was too far (Miami) for the type of service the Commission felt was necessary.

Commissioner Balius asked when the contract would take affect. Mayor Castro was under the impression that the contract would be brought back to the Commission, but Town Manager Paul Carlisle stated that the contract was ready to be awarded to the Commissions choice.

**Motion: A motion was made by Commissioner Balius to approve the contract to Advanced National Security; Commissioner Daly made the second.**

Vote on Motion:

Commission Member	Yes	No	Other
Commissioner Balius	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		
Mayor Castro	X		

Motion passed 5-0.

*Review of the Marina Site Plan.*

Town Manager Paul Carlisle provided an update of the dumpster location. The original location of the dumpster was by a residential area on the south side of the Marina. After some discussion the Commission came to consensus to place the dumpster by the lift station. A concrete wall around the dumpster will provide coverage.

**Public Comment Opened.**

Mike Carlson, 100 Shore Drive- Thanked the Commission for relocating the dumpster.

**Public Comment Closed.**

*Update on Marina Operation.*

Town Manager Paul Carlisle gave an update on Marina operations. Town Manager Paul Carlisle stated that the new security company would improve service. Town Manager stated that the trouble would be with the subleasing issues in the summer. Town Manager Paul Carlisle suggested a Marina consulting company, for six (6) months, to get the Marina in a better operational path. Town Manager Paul Carlisle indicated that the dockmaster has resigned and without a Marina Manager, the time to contract with a consulting company is now rather than later. Vice-Mayor Garretson wanted to know what the occupancy rate was currently. Town Manager Paul Carlisle indicated that the Marina was currently at 90%, exceeding the goal of 80%. Commissioner Balius agreed with a Consulting company.

**Public Comment Opened.**

*Jim Lloyd, 220 Lake Shore Drive* – Expressed his concerns with slip billing statements, maintenance on the south dock, and ladders that are flush against the concrete. Mr. Lloyd indicated that lifelines are needed. Mr. Lloyd indicated that the Harbor Marina Advisory Board was ready to assist the Commission.

**Public Comment Closed.**

**Motion: A motion was made by Commissioner Balius to hire a Marina Consulting Company for six (6)months; Commissioner Daly made the second.**

Vote on Motion:

Commission	Yes	No	Other

Member			
Commissioner Balius	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		
Mayor Castro	X		

Motion passed 5-0.

*Discussion about Replacing Town Entrance Signs.*

Town Manager Paul Carlisle stated that the wooden signs would be the only signs replaced. Town Manager Paul Carlisle stated that cost and clear zones are the major issues with replacing those entrance signs. Town Manager Paul Carlisle stated that the custom routed polyethylene 2 color signs with Town Logo last for 50 years and is inexpensive. Signing America quoted at \$3,900.00 for the four (4) signs; the plastic post will prevent rotting.

*Consensus to move forward with Paving Award to Ranger Construction.*

Town Manager Paul Carlisle indicated that Ranger Construction submitted a proposal to pave Park Avenue (from 7<sup>th</sup> Street to US 1), Lake Shore Drive, 4<sup>th</sup> Street, and Bayberry for \$191,648.00.

**Motion: A motion was made by Commissioner Balius to award the paving bid to Ranger Construction; Commissioner Daly made the second.**

Vote on Motion:

Commission Member	Yes	No	Other
Commissioner Balius	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		
Mayor Castro	X		

Motion passed 5-0.

*Authorize Town Manager to carry out Lake Park Employee Hurricane Pay.*

Mayor Castro stated that this pay would be for double time for those employees that worked immediately after Hurricane Wilma. Mayor Castro expressed his gratitude to the employees.

**Motion: A motion was made by Commissioner Daly to approve the Employee Hurricane Pay Vice-Mayor Garretson made the second.**

Vote on Motion:

Commission Member	Yes	No	Other
Commissioner Balias	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		
Mayor Castro	X		

Motion passed 5-0.

*Authorize Town Manager to activate Community Redevelopment Agency (CRA) Emergency Bridge Loan Program.*

Town Manager Paul Carlisle stated that this bridge loan amount would be for a maximum available of \$5,000.00 per application with \$30,000.00 in the total program to be used.

**Motion: A motion was made by Vice-Mayor Garretson to approve the CRA Emergency Bridge Loan Program; Commissioner Daly made the second.**

Vote on Motion:

Commission Member	Yes	No	Other
Commissioner Balias	X		
Commissioner Daly	X		
Commissioner Carey	X		
Vice-Mayor Garretson	X		
Mayor Castro	X		

Motion passed 5-0.

**COMMENTS BY COMMISSION, TOWN MANAGER, TOWN ATTORNEY**

**Commissioner Carey**

Commissioner Carey stated that prior to this years storm there was a 26-week wait for roof tile, now it would be double that time. One business, on Park Avenue, received approval from the Special Magistrate to place metal tile, can the Magistrate change the code. Town Manager Paul Carlisle explained the Magistrates interpretation of the code about the mentioned case. Town Manager Paul

Carlisle stated that the code reads it is metal underneath and stone glued to it. Mayor Castro indicated that the code would not change. Commissioner Carey stated that the Community Development Department should make business owners aware of this option.

Commissioner Carey indicated that Target had a full page advertisement with the location listed as Lake Park, Palm Beach Gardens.

### **Vice-Mayor Garretson**

Vice-Mayor Garretson stated that Proclamations to Hurricane volunteers would be appropriate. Town Manager Paul Carlisle stated that he contacted the Red Cross who intern contacted the Salvation Army to provide assistance to Lake Park. Town Manager Paul Carlisle stated he would try to get in touch with the Salvation Army crew that serviced Lake Park. Vice-Mayor Garretson would like to present a Proclamation to the Public Works Employee's as well.

### **Commissioner Daly**

Commissioner Daly wanted to thank Captain Reece for prompt response time.

Commissioner Daly stated that the situation at the Marina is now on the right track. Commissioner Daly suggested revisiting the restaurant topic and finding out with the State what the Town needs to do to comply to get a restaurant.

### **Commissioner Balius**

Commissioner Balius stated that FP&L damaged sidewalks on private property, will they pay for damage. Town Manager Paul Carlisle indicated the Road Forman conducts damage assessments and FP&L fixed those areas.

Commissioner Balius wanted an update on the Town plaque situation, but not on the air. Town Manager Paul Carlisle stated that he would contact the Commissioner with the update.

Commissioner Balius requested an update on the ball field Ordinance. Town Manager Paul Carlisle stated that the attorney is working on the finalized version.

Commissioner Balius stated that the American flag is very dear to him and the American flag should be the largest flying on a pole, not the same size as the others. There are several American flags flying that are the same size as the State flag.

Commissioner Balius stated that Edward Resnick, a friend, and former Mayor of Tequesta for many years passed away last week.

Commissioner Balius wanted to thank everyone that worked so hard after Hurricane Wilma.

Commissioner Balius asked about the next Northlake Task Force meeting. Town Manager Paul Carlisle indicated that the meeting is next month.

### **Mayor Castro**

Mayor Castro asked staff to contact FP&L regarding the streetlights that are still out on Park Avenue. Mayor Castro wanted to know when the Holiday lights are being installed. Town Manager Paul Carlisle stated that installation would begin on November 28.

Mayor Castro stated that the flag light is out. Town Manager Paul Carlisle indicated that the bulb was changed, but that he will have the electrician check for problems.

### **Town Attorney**

Town Attorney Thomas Baird was served with a summons by the couple whose home burned down last year. Town Attorney Thomas Baird indicated that the couple is suing the County as well as Lake Park.



**Town Manager**

Town Manager Paul Carlisle thanked town employees and residents for their assistance with the distribution of supplies during the aftermath of Hurricane Wilma.

Town Manager stated that Palm Beach County Commissioner Karen Marcus has agreed to pay the \$160,000.00 for the engineering work to change Park Avenue (from 7<sup>th</sup> Street east to US1) and making it two lanes with landscaping in the median. Palm Beach County Commissioner Karen Marcus has indicated that the County might pay for the work itself over the course of a few years. Town Manager Paul Carlisle stated that the agreement would be presented to the Commission for review.

Mayor Castro requested that staff contact State Representative (Clay Shaw) and indicate that the Town is interested in any funds to our district.

Town Manager Paul Carlisle stated that invitations would be sent for the Wal-Mart ground breaking on December 16, 2005.

**ADJOURNMENT**

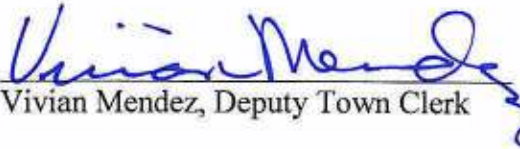
There being no further business to come before the Commission and after a motion to adjourn by Commissioner Vice-Mayor Garretson and seconded by Commissioner Balius, and by unanimous vote, the meeting adjourned at 9:50 p.m.



\_\_\_\_\_  
Mayor Paul Castro



\_\_\_\_\_  
Town Clerk Stephanie Thomas



\_\_\_\_\_  
Vivian Mendez, Deputy Town Clerk

FLORIDA

Approved on this 7 day of December 2005.



TOWN OF LAKE PARK PUBLIC COMMENT CARD

MEETING DATE: 11/16/05

Cards must be submitted before the item is discussed!

•••Three (3) limit limitation on all comments

Name: TODD DRY

Address: 340 - 10th St

I would like to make comments on the following Agenda Item:

I would like to make comments on the following Non-Agenda Item(s):

Repeal of 10th St  
Revolving Material Usage for Park Ave

*Intructions: Please complete this card, including your name and address; once the card has been completed, give it to the Town Clerk. The Mayor will call your name when it is time for you to speak. Comments are limited to three (3) minutes per individual.*

TOWN OF LAKE PARK  
PUBLIC COMMENT CARD



MEETING DATE: 11/16/05

Cards must be submitted before the item is discussed!!

\*\*\*Three (3) limit limitation on all comments

Name: Mike Carlson

Address: 400 Shore Dr

I would like to make comments on the following Agenda Item:

LOCATION OF TRASH DUMPSITES IN TOWN

Item K-4 Review of Marina Site Plan.

I would like to make comments on the following Non-Agenda Item(s):

*Instructions: Please complete this card, including your name and address; once the card has been completed, give it to the Town Clerk. The Mayor will call your name when it is time for you to speak. Comments are limited to three (3) minutes per individual.*



TOWN OF LAKE PARK PUBLIC COMMENT CARD

MEETING DATE: 11/16/05

Cards must be submitted before the item is discussed!!  
\*\*\*Three (3) limit limitation on all comments

Name: Jim Lloyd

Address: 220 Lake Shore Dr.

I would like to make comments on the following Agenda Item:

Marina Opera Team  
Item K-5 Marina Operation Update

I would like to make comments on the following Non-Agenda Item(s):

Instructions: Please complete this card, including your name and address; once the card has been completed, give it to the Town Clerk. The Mayor will call your name when it is time for you to speak. Comments are limited to three (3) minutes per individual.



TOWN OF LAKE PARK PUBLIC COMMENT CARD

MEETING DATE: 11-16-05

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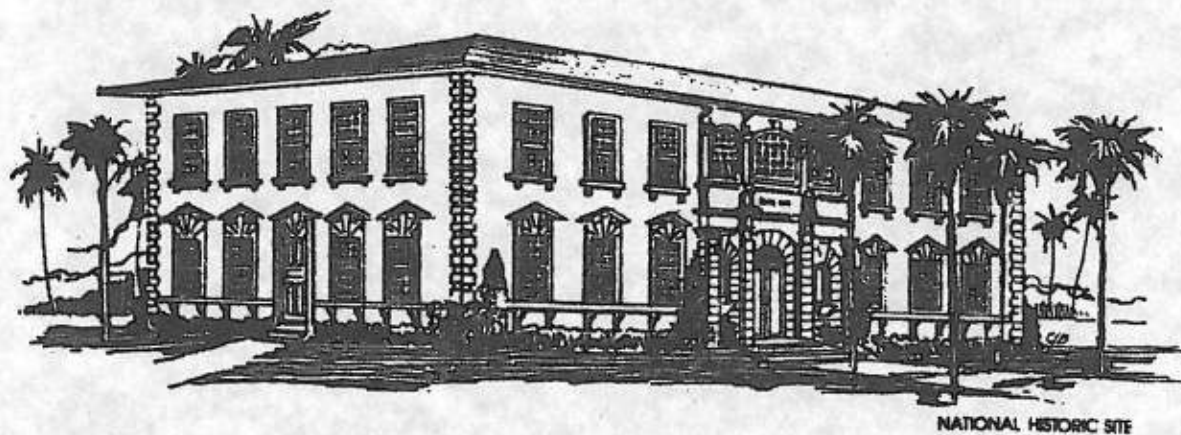
Name: LINDA WUMMER  
Address: 110 SHORE DR RIVIERA BEACH, FL 33404  
I would like to make comments on the following Agenda Item:

I would like to make comments on the following Non-Agenda Item(s):  
PLACEMENT OF TRASH CONTAINERS IN THE MARINA

Instructions: Please complete this card, including your name and address; once the card has been completed, give it to the Town Clerk. The Mayor will call your name when it is time for you to speak. Comments are limited to three (3) minutes per individual.

K-5

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



## TOWN OF LAKE PARK, FLORIDA

### FISCAL YEAR ENDED SEPTEMBER 30, 2004

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**TOWN OF LAKE PARK, FLORIDA**

**Fiscal Year Ended September 30, 2004**



**TOWN OF LAKE PARK, FLORIDA**

**Comprehensive  
Annual Financial Report**

**Fiscal Year Ended  
September 30, 2004**

**Prepared by  
Finance Department**

AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION

TOWN OF LAKE PARK, FLORIDA

September 30, 2004

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AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION

TOWN OF LAKE PARK, FLORIDA

September 30, 2004

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**INTRODUCTORY SECTION**



# TOWN OF LAKE PARK

## FINANCE DEPARTMENT

September 15, 2005

The Honorable Mayor,  
Members of the Town Commission and Citizens  
Town of Lake Park, Florida

The Comprehensive Annual Financial Report (CAFR) of the Town of Lake Park, Florida, (the "Town") for the fiscal year ended September 30, 2004, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

Management of the Town is responsible for establishing and maintaining internal controls designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with U.S. generally accepted accounting principles. The Town's internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and, (2) the valuation of costs and benefits requires estimates and judgments by management.

The Town's financial statements are audited by an independent certified public accounting firm. The objective of the audit is to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes 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.

As part of the Town's annual audit, a review is made of internal controls and tests are performed to determine that the Town has complied with applicable laws and regulations. The results of the Town's audit for the fiscal year ended September 30, 2004 identified no instances of material weaknesses in internal controls or material violations of applicable laws and regulations.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and compliance reports. The introductory section includes this transmittal letter, the Town's organizational chart, and a list of principal officials. The financial section includes management's discussion and analysis, the basic financial statements and accompanying notes, as well as the independent auditor's report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The compliance reports section includes reports on compliance with *Government Auditing Standards* for the year ended September 30, 2004.

## FINANCIAL CONDITION AND OUTLOOK

Local Economy: Palm Beach County is the 3rd most populous county in the State of Florida. The latest population estimate prepared by the University of Florida indicates that the current population of the County is approximately 1.2 million. Projections show the population growing at an estimated annual rate of 1.6 percent over the next 15 years, with corresponding increases in service businesses and light industry.

The Town of Lake Park currently enjoys a favorable economic environment and local indicators point to continued growth and stability. The region has a varied manufacturing and light industrial base that adds to the stability of the unemployment rate.

The reconstruction of Park Avenue in the downtown area and the expansion of Congress Avenue has added to the Town's beauty and economic growth. The construction of Lowes', LA Fitness and the Venetian Isles residential subdivision were both completed during this fiscal year. The completion of these projects has resulted in an increase in business development and property values.

Major Industries: The economic base of the Town has been dependent on the real estate and construction industries associated with producing housing for the increasing population of the County. During the winter and spring months many businesses rely on the economic gain from the increase in tourism. Tourists are drawn to south Florida due to our warm weather and major league baseball training camps.

Future Outlook: Based on current projections, the future economic outlook indicates that the increase in population and light industry will continue over the next fifteen years. Additionally, the Scripps Research Institute, a major bio-tech research organization, has decided to open a major research facility in northern Palm Beach County. This is expected to have a major influence on the Town and surrounding areas by creating new jobs, promoting the opening of complimentary businesses to provide goods and services to Scripps and helping to strengthen and diversify the local economy.

Major Initiatives: During recent years, the Town has devoted a significant amount of time, energy and resources to the continuing growth and redevelopment of the Town. The Town continued its work with the older neighborhoods to develop improvement plans and then commit the financial resources to help them achieve their goals. Systematic resurfacing of streets, and repair of the storm drainage system in the Town has continued. With additional Community Development Block Grant funds received from Palm Beach County, the Town has repaired a large portion of drainage on the Town's southwest side.

For the Future: The Commission and staff are continuing to move ahead with ambitious plans to revitalize the Town, and develop the western corridor. Grant monies will continue to be vigorously pursued to supplement Town funds for operations and improvements. The renovation of the Marina is underway with a scheduled completion in 2005. The total number of marina slips available will be reduced, while length of the slips will be increased to a more desirable size.

## OTHER INFORMATION

Independent Audit: Florida Statutes require that an annual audit of all Town finances be performed by an independent certified public accountant selected by the Town Commission. The Independent Auditor's Report by Caler, Donten, Levine, Druker, Porter and Veil, P.A., Certified Public Accountants, appears on the first page of the Financial Section of this report.

Acknowledgments: A comprehensive annual financial report of this type and depth, illustrating the results of operations of the entire Town and its various diversified funds and activities, could not have been prepared so completely without the dedication and efficiency of the entire Finance Department staff; Merry Ann Catusus, Glen Dale, and Larry Kernan. Their dedication and hard work is greatly

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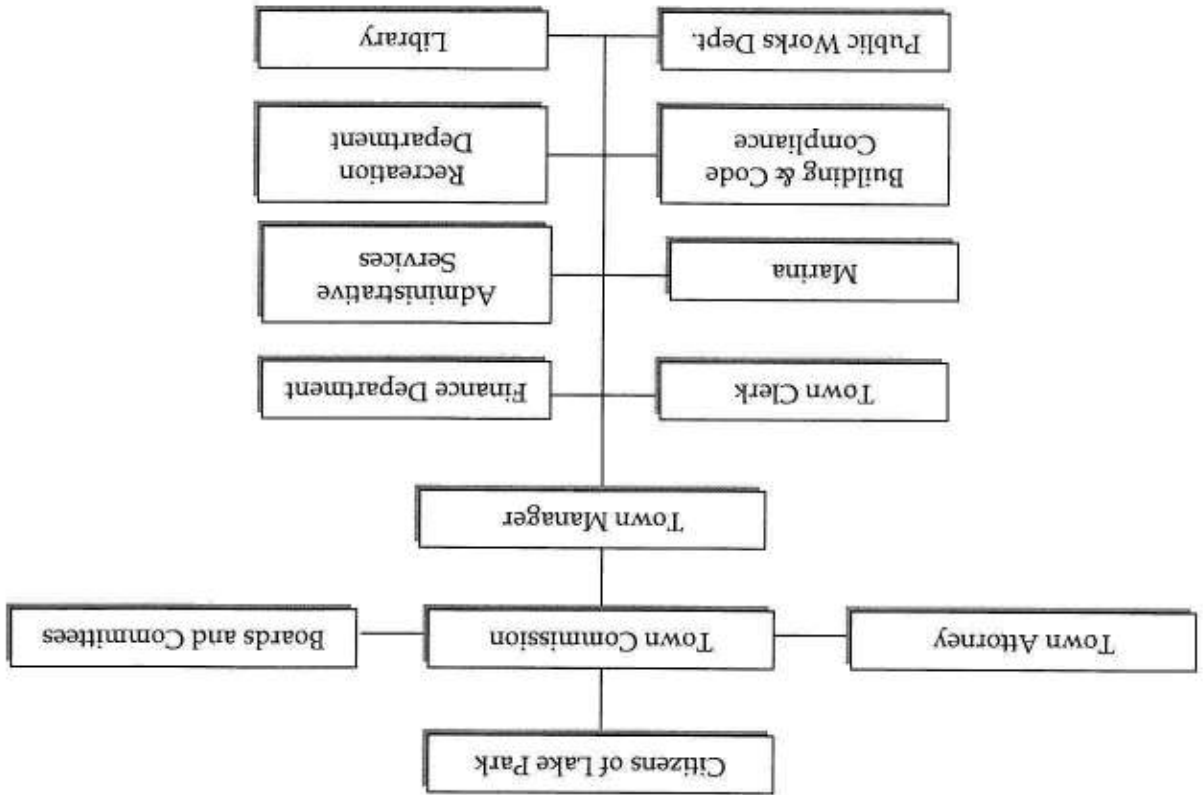
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TOWN OF LAKE PARK, FLORIDA  
 ORGANIZATIONAL CHART





**FINANCIAL SECTION**



CERTIFIED PUBLIC ACCOUNTANTS

505 SOUTH FLAGLER DRIVE, SUITE 900  
WEST PALM BEACH, FL 33401-5948

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FAX (561) 832-9435

info@cdlpa.com

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THOMAS A. PENCE, JR., CPA  
SCOTT L. PORTER, CPA  
MARK D. VEIL, CPA

Independent Auditor's Report

The Honorable Mayor and  
Members of the Town Commission  
Town of Lake Park, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Lake Park, Florida, as of and for the year ended September 30, 2004, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Town of Lake Park, Florida. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Lake Park, Florida, as of September 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

As discussed in Note 1 to the basic financial statements, the Town of Lake Park, Florida, has implemented a new financial reporting model as of October 1, 2003, as required by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*; Omnibus; and, GASB Statement No. 38, *Certain Financial Statement Note Disclosures*.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2005 on our consideration of the internal control over financial reporting of the Town of Lake Park, Florida, 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* and should be considered in assessing the results of our audit.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Lake Park, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Lake Park for the fiscal year ended September 30, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

This is the first year the Town has presented its financial statements in accordance with the new reporting model required by Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" (Statement 34). This new reporting model significantly changes not only the presentation of financial data, but also the manner in which the information is recorded. This discussion will contain comparative analysis in future years when prior year information is available.

The information contained within this Management's Discussion and Analysis (MD&A) is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the footnotes and the other Required Supplementary Information that is provided in addition to this MD&A.

### Financial Highlights

- The assets of the Town of Lake Park exceeded its liabilities at September 30, 2004 by \$4,366,937. Of this amount, unrestricted net assets of \$2,145,954 may be used to meet the government's ongoing obligations to citizens and creditors.
- The total net assets increased by \$1,215,977, of which \$611,067 was associated with governmental activities and \$604,910 was related to business-type activities.
- As of the close of the current fiscal year, the Town of Lake Park's general fund reported ending fund balance of \$1,924,880 an increase of \$325,838 from the prior year. Of this amount \$44,961 is reserved and not available for spending and \$1,879,919 is unreserved and undesignated and available for future uses by the Town Commission.
- At the end of the current fiscal year, the unreserved fund balance for the general fund represented 33% of total general fund expenditures or 120 days of available funding.
- The Town of Lake Park's total debt obligations decreased by \$185,179. The decrease was mostly attributable to the repayment of principal on the Town's debt.

### Overview of the Financial Statements

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

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

**Enterprise funds.** The *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses three enterprise funds to account for the separate operations of its Marina, Sanitation and Park Avenue Property. The basic enterprise fund financial statements can be found on pages 17-20 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 statements because the resources of those funds are *not* available to support the Town'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 21-22 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-45 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information for pension benefits can be found on page 46 of this report.

The Town adopts an annual appropriated budget for the General Fund. A budgetary comparison schedule for the General Fund is included as *required supplementary information* on pages 47-53 to demonstrate compliance with this budget. The Town also adopts an annual budget for the Streets and Roads Fund, Community Redevelopment Fund, Debt Service Fund, Capital Projects Bond Fund and Special Projects Fund. Budgetary comparison schedules for these funds are included as supplementary information in the nonmajor governmental funds section of this report.

The combining and individual fund statements and schedules are presented immediately following the required supplementary information on pages 54-65 of this report.

### Government-Wide Financial Analysis

**Net assets.** This fiscal year is the first year of implementation of GASB 34. In future years, a comparative analysis of government-wide data will be presented. A summary of the Statement of Net Assets at September 30, 2004 is presented on the following page.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At September 30, 2004, the Town's assets exceeded liabilities by \$4,366,937. The largest portion of the Town's net assets (49 percent) reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens and they are not available for future spending. Although the investment in 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 net assets (2 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$2,145,954) may be used to meet the government's ongoing obligations to citizens and creditors.

The Town's net assets at September 30, 2004 are summarized as follows:

The annual General Fund budget is adopted after two public hearings and approval of the Town Commission. Any amendments that would exceed the original budget at the fund level or would require funds to be transferred from contingency would require a formal budget amendment requiring an ordinance and two readings by the Town Commission. The original General Fund appropriation did not require an amendment. However, funds were transferred from an appropriated General Fund contingency account to department/program accounts in the budget to provide for unanticipated expenditures in accordance with Town Commission authorizations.

**General Fund Budgetary Highlights**

As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 33 percent of total general fund expenditures, while total fund balance represents 34 percent of that same amount.

At September 30, 2004, the Town's general fund reported ending fund balance of \$1,924,880 an increase of \$325,838 from the prior year. Of this amount, \$1,879,919 (98%) is unreserved fund balance, which is available for spending at the government's discretion. All of the unreserved fund balance is undesignated. The remainder of fund balance (\$44,961) is reserved to indicate that it is not available for new spending because it has already been committed.

Governmental Funds. The purpose of the Town's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved 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 noted earlier, the Town of Lake Park uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Financial Analysis of the Governments' Funds**

The Town's net assets increased by \$1,215,977 or 39%. The improvement in net assets for this fiscal year can be primarily attributed to increased revenues from property taxes.

	Governmental activities	Business-type activities	Total
<b>Expenses</b>			
General governmental	\$ 1,315,158	\$ --	\$ 1,315,158
Public safety	3,106,822	--	3,106,822
Physical environment	440,968	--	440,968
Transportation	531,581	--	531,581
Culture and recreation	887,990	--	887,990
Interest on debt	367,469	--	367,469
Martina	--	118,893	118,893
Sanitation	--	1,040,062	1,040,062
<b>Total expenses</b>	<b>6,649,988</b>	<b>1,158,955</b>	<b>7,808,943</b>
Increase in net assets before transfers	751,616	464,361	1,215,977
Transfers	(140,549)	140,549	--
<b>Increase in net assets</b>	<b>611,067</b>	<b>604,910</b>	<b>1,215,977</b>
Net assets - beginning of year	(296,136)	3,447,096	3,150,960
Net assets - end of year	\$ 314,931	\$ 4,052,006	\$ 4,366,937

Finance Department  
 Town of Lake Park  
 535 Park Avenue  
 Lake Park, FL 33403  
 (561) 881-3350

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability. Questions concerning information provided in this report or requests for additional financial information should be directed to:

**Requests for Information**

The Town has a stable property tax base. Property taxes represent approximately 45% of the budgeted revenues of the Town. The balance of revenues comes from sales and use taxes, intergovernmental revenues, utility taxes, charges for Town services, licenses, permits and fines.

For fiscal year 2005 the Town Commission adopted a General Fund budget of \$6,973,676 representing a 11% increase from fiscal year 2004. The increase of \$709,841 was mainly due to increased personnel and operating expenses and the estimated capital repair costs related to the two hurricanes in September 2004.

**Economic Factors and Next Year's Budgets and Rates**

	Governmental activities	Business-type activities	Total
General obligation bonds	\$ 7,618,861	\$ --	\$ 7,618,861
Revenue bonds	--	4,810,000	4,810,000
Capital lease obligations	63,113	153,175	216,288
Compensated absences	79,492	18,749	98,241
Total debt	\$ 7,761,466	\$ 4,981,924	\$ 12,743,390

The Town's outstanding debt at September 30, 2004 is summarized as follows:

**FINANCIAL STATEMENTS**

TOWN OF LAKE PARK, FLORIDA

STATEMENT OF NET ASSETS

September 30, 2004

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Pooled cash and cash equivalents	\$ 1,798,618	\$ 562,456	\$ 2,361,074
Accounts receivable, net	400,018	100,499	500,517
Due from other governments	95,092	(218,009)	95,092
Internal balances	218,009		0
Inventory	10,368		10,368
Prepaid items	20,591		20,591
Note receivable	453,530		453,530
Unamortized bond costs		107,906	107,906
Restricted cash and cash equivalents		1,847,705	1,847,705
Capital assets			
Capital assets not being depreciated	699,720	6,918,488	7,618,208
Capital assets being depreciated, net of accumulated depreciation	4,939,676	354,793	5,294,469
<b>Total Assets</b>	<b>8,635,622</b>	<b>9,673,838</b>	<b>18,309,460</b>
<b>LIABILITIES</b>			
Accounts payable	174,785	35,021	209,806
Accrued expenses	153,793	14,150	167,943
Deferred revenue	158,842		158,842
Deposits	71,805	11,734	83,539
Accrued interest payable		95,802	95,802
Current liabilities payable from restricted assets		308,841	308,841
Noncurrent liabilities			
Due within one year	443,253	117,051	560,304
Due in more than one year	7,318,213	5,039,233	12,357,446
<b>Total Liabilities</b>	<b>8,320,691</b>	<b>5,621,832</b>	<b>13,942,523</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt		1,957,744	1,957,744
Restricted for			
Debt service	83,533		83,533
Public safety	5,346		5,346
Unrestricted	226,052	2,094,262	2,320,314
<b>Total Net Assets</b>	<b>\$ 314,931</b>	<b>\$ 4,052,006</b>	<b>\$ 4,366,937</b>

See notes to financial statements.



Net (Expense) Revenue and Changes in Net Assets	Business - Type Activities	Governmental Activities
\$ (727,947)	\$	\$ (727,947)
(2,885,320)		(2,885,320)
(440,968)		(440,968)
(67,896)		(67,896)
(843,320)		(843,320)
(367,469)		(367,469)
(5,332,920)	0	(5,332,920)
97,210	97,210	
324,734	324,734	
(4,910,976)	421,944	(5,332,920)
3,711,359		3,711,359
473,764		473,764
618,080		618,080
1,217,305		1,217,305
64,028	42,417	64,028
(140,549)	140,549	(140,549)
5,943,987	182,966	5,943,987
611,067	604,910	611,067
(296,136)	3,447,096	(296,136)
\$ 314,931	\$ 4,052,006	\$ 314,931

Net (Expense) Revenue and Changes in Net Assets

TOWN OF LAKE PARK, FLORIDA  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET ASSETS

September 30, 2004

Total Fund Balances - Governmental Funds \$ 2,072,926

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

The focus of governmental funds is on short-term financing and, accordingly, long-term assets will not be available to pay current period expenditures. The long-term note receivable for the sale of capital assets is, therefore, reported as deferred revenue in the governmental funds at September 30, 2004.

453,530

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.  
 Governmental capital assets  
 Less accumulated depreciation

\$ 9,177,412  
 (3,538,016)

5,639,396

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Accrued interest payable on long-term debt (89,455)

(79,492)

(7,618,861)

(63,113)

Capital leases  
 General obligation bonds

Compensated absences

Net Assets of Governmental Activities

(7,850,921)

\$ 314,931

TOWN OF LAKE PARK, FLORIDA

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

Year Ended September 30, 2004

Net Change in Fund Balances - Total Governmental Funds \$ 549,313

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

Governmental funds report capital outlays as expenditures, however,  
in the statement of activities, the cost of those assets is depreciated  
over their estimated useful lives.  
Expenditures for capital assets  
Less current year depreciation  
\$ 282,527  
(336,712)  
(54,185)

In the statement of activities, only the gain or loss on the sale of capital  
assets is reported, whereas in the governmental funds the proceeds from  
the sale increases financial resources. The change in net assets differs  
from the change in fund balance by the net book value of the assets retired.  
(1,596)

Debt issued provides current financial resources to governmental funds  
but issuing debt increases long-term liabilities in the statement of net assets.  
Debt issued in the current year consisted of capital lease obligations.  
(61,606)

The collections on long-term notes receivable are reported as revenue in  
the governmental funds. However, the amount collected is removed from  
the note receivable in the statement of net assets and no revenue is reported  
in the statement of activities. (226,770)

The repayment of long-term debt consumes the current financial  
resources of governmental funds. However, these transactions do  
not have any effect on net assets of the governmental activities.  
Long-term debt repayments:  
General obligation bonds  
Capital lease obligations  
396,252  
21,102  
417,354

Some expenses reported in the statement of activities do not require  
the use of current financial resources and therefore are not reported  
as expenditures in governmental funds.  
Compensated absences  
Accrued interest  
(16,103)  
4,660  
(11,443)

Change in net assets of governmental activities \$ 611,067

See notes to financial statements.

TOWN OF LAKE PARK, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS - ENTERPRISE FUNDS

Year Ended September 30, 2004

	Nonmajor Enterprise Fund	Park Avenue Property Fund	Enterprise Funds
Operating revenues			
Charges for services			
Sanitation fees			
Miscellaneous			
Total Operating Revenues	\$ 1,360,976	\$ 1,364,796	\$ 1,360,976
Operating expenses			
Personal services			
Operating expenses			
Depreciation			
Total Operating Expenses	83,663	1,038,380	1,122,043
OPERATING INCOME (LOSS)	(83,663)	326,416	242,753
Nonoperating revenues (expenses)			
Gain on sale of equipment	1,720		1,720
Amortization	3,576		3,576
Intergovernmental	210,807		210,807
Interest revenue	36,365	6,052	42,417
Interest expense	(35,230)	(1,682)	(36,912)
INCOME BEFORE TRANSFERS	133,575	330,786	464,361
Transfers in			
CHANGE IN NET ASSETS	133,575	330,786	604,910
Net assets (deficit), beginning of year	3,150,701	436,944	3,447,096
Net assets, end of year	\$ 3,284,276	\$ 767,730	\$ 4,052,006

See notes to financial statements.

TOWN OF LAKE PARK, FLORIDA

STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS (Continued)

Year Ended September 30, 2004

	Nonmajor Enterprise Fund	Park Avenue Property Fund	Enterprise Funds	Total Enterprise Funds
Reconciliation of cash and cash equivalents to balance sheet				
Pooled cash and cash equivalents			\$ 562,456	
Restricted assets - investments			1,847,705	
TOTAL CASH AND CASH EQUIVALENTS			\$ 2,410,161	
NON-CASH CAPITAL AND RELATED FINANCING ACTIVITY				
Acquisition and construction of capital assets financed by capital lease obligations			\$ 171,285	\$ 171,285
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)			\$ 242,753	\$ (83,663)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization expense			92,676	2,198
Provision for uncollectible accounts			(29,330)	
Changes in assets and liabilities:				
Decrease (increase) in accounts receivable			28,834	3,376
Increase (decrease) in accounts payable			(11,703)	8,115
Increase in accrued payroll and related liabilities			5,110	1,857
Increase in customer deposits payable			11,734	11,734
Increase (decrease) in compensated absences			(1,709)	1,201
Net Cash Provided by (Used in) Operating Activities			\$ 338,365	\$ (55,182)

See notes to financial statements.

TOWN OF LAKE PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE A - SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or identifiable activity. *Program revenue* includes three categories of transactions: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; (2) operating grants and contributions; and, (3) capital grants and contributions. Taxes and other items not meeting the definition of program revenue are reported as *general revenue*.

**Fund Financial Statements:** The underlying accounting system of the Town is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue and expenditures or expenses, as appropriate.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds used by the Town are classified into three categories: *governmental, proprietary* and *fiduciary*. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The Town's major individual governmental funds and enterprise funds are reported as separate columns in the fund financial statements.

**Governmental Fund Financial Statements - Governmental Fund Financial Statements** include a Balance Sheet and a Statement of Revenue, Expenditures and Changes in Fund Balance for all major governmental funds and nonmajor funds in the aggregate. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements, to the net assets and changes in net assets presented in the government-wide financial statements. The Town reports the following major governmental funds:

*General Fund*-This fund is used to account for all financial transactions not accounted for in another fund. Revenue is derived primarily from property taxes, state distributions, and other intergovernmental revenue.

*Debt Service Fund*-This fund is used to account for resources accumulated and payments made for principal and interest on the general obligation bonds which are payable from ad valorem taxes.

*Capital Projects Bond Fund*-This fund was established to account for construction and renovation projects financed by the proceeds of the Town's general obligation bond, series 1997.

**Proprietary Fund Financial Statements - Proprietary Fund Financial Statements** include a Statement of Net Assets, a Statement of Revenue, Expenses and Changes in Fund Net Assets, and a Statement of Cash Flows for the Town's major enterprise funds as follows:

TOWN OF LAKE PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE A - SIGNIFICANT ACCOUNTING POLICIES (Continued)

the Special Revenue and Capital Projects Funds is composed of unexpended grant funds and a long-term receivable related to the sale of assets.

**Compensated Absences:** Employees earn 16 annual leave days per year through the completion of 5 years of service, 21 days per year through 10 years of service and 26 days per year after the completion of 10 years of service. Annual leave may be used for purposes of vacation, attending to personal matters, illness/injury and/or other medical needs. The Town's policy is to allow employees to accumulate annual leave to a maximum of 240 hours. At the time of retirement or termination all annual leave is payable at 100% to the employee. Except for liabilities incurred by employment terminations, such benefits are paid only when taken.

Accumulated unpaid annual leave amounts and a portion of accumulated sick leave are accrued when earned. Benefits that were earned but not used during the current year were accrued at employees' pay rates in effect at September 30, 2004. The liability for compensated absences attributable to the Town's governmental funds is recorded in the government-wide financial statements. The amount attributable to the business-type activities is charged to expense with a corresponding liability established in the government-wide financial statements as well as the Enterprise Fund. The Town provides no post-employment benefits to employees.

**Net Assets/Fund Balances:** The government-wide and business-type fund financial statements utilize a net asset presentation. Net assets are categorized as follows:

*Invested in Capital Assets, Net of Related Debt* - This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

*Restricted* - This component of net assets consists of constraints placed on the use of net assets by external restrictions imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

*Unrestricted* - This component of net assets consists of net assets that do not meet the definition of *Invested in Capital Assets, Net of Related Debt* or *Restricted*.

The governmental fund financial statements utilize a fund balance presentation. Fund balances are categorized as follows:

*Fund balance reserves* signify that a portion of the fund balance is legally restricted or not considered available for subsequent expenditure other than for the specific purpose for which the reserve was established. The following is a list of the reserves used by the Town and a description of each:





TOWN OF LAKE PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE D - NOTE RECEIVABLE

The Town and Palm Beach County (the "County") entered into an agreement effective June 29, 2002, whereby County Fire Rescue provides fire protection and emergency medical services for the Town. In connection with this agreement, the County is purchasing the Town's former fire rescue land and building for \$1 million to be paid in four equal annual installments of \$250,000. The balance due on this note has been discounted at 4.0%. The net receivable at September 30, 2004 was \$453,530 and is summarized as follows:

Receivable in 2005	\$	250,000
Receivable in 2006		250,000
Total receivable		500,000
Less discount to present value		(46,470)
Note receivable, net	\$	453,530

NOTE E - CAPITAL ASSETS

The capital asset activity for the year ended September 30, 2004 was as follows:

<i>Governmental Activities</i>					
Balance at	Year	Increases	Decreases	Balance at	
Beginning of				End of	
Year				Year	
Capital assets not being depreciated	\$	699,720	\$	699,720	
Land					
Total capital assets not being depreciated	699,720	0	0	699,720	
Depreciable capital assets	7,003,375	154,703	(228,832)	7,003,375	
Buildings					
Equipment and vehicles	1,205,578	154,703	(228,832)	1,131,449	
Streets, roads and sidewalks	215,044	127,824		342,868	
Total depreciable capital assets	8,423,997	282,527	(228,832)	8,477,692	
Less accumulated depreciation	(2,460,727)	(256,466)	(227,236)	(2,717,193)	
Buildings					
Equipment and vehicles	(962,437)	(73,109)	(227,236)	(808,310)	
Streets, roads and sidewalks	(5,376)	(7,137)		(12,513)	
Total accumulated depreciation	(3,428,540)	(336,712)	(227,236)	(3,538,016)	
Depreciable assets, net of accumulated depreciation	4,995,457	(54,185)	(1,596)	4,939,676	
Total capital assets, net	\$ 5,695,177	\$ (54,185)	\$ (1,596)	\$ 5,639,396	

TOWN OF LAKE PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE F - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at September 30, 2004 are summarized as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 490,836	\$ 18,448
Capital Projects Bond Fund		
Nonmajor Governmental Funds		
Streets and Roads Fund		173,951
Special Projects Fund		80,428
Marina Enterprise Fund		218,009
	<u>\$ 490,836</u>	<u>\$ 490,836</u>

The outstanding balances between funds result primarily from the short term cash borrowings. An interfund transfer out was reported in the General Fund into the Park Avenue Property Enterprise Fund in an amount of \$140,549 in order to fund the enterprise fund's deficit and close the fund.

NOTE G - LONG-TERM DEBT

Governmental Activities

Changes in governmental activities long-term debt for the year ended September 30, 2004 are summarized as follows:

Governmental Activities	Balance at Beginning of Year	Additions	Retirements	Balance at End of Year	Amounts Due Within One Year
General obligation bonds	\$ 8,015,113	\$ 61,606	\$ 396,252	\$ 7,618,861	\$ 415,112
Capital lease obligations	22,609	105,480	21,102	63,113	18,141
Compensated absences	63,389	105,480	89,377	79,492	10,000
Total long-term debt	\$ 8,101,111	\$ 167,086	\$ 506,731	\$ 7,761,466	\$ 443,253
Current maturities				(443,253)	
Net long-term debt				\$ 7,318,213	

General Obligation Bonds: The Town's outstanding governmental activities general obligation bonds at September 30, 2004 are summarized as follows:

General Obligation Bonds, Series 1997: On March 11, 1997 the voters of the Town approved the issuance of up to \$9,806,000 general obligation bonds for the purpose of financing the repair and

TOWN OF LAKE PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE G - LONG-TERM DEBT (Continued)

Year Ending September 30	Principal	Interest	Total Amount
2011	\$ 276,140	\$ 112,517	\$ 388,657
2012	288,593	100,064	388,657
2013	301,608	87,049	388,657
2014	315,209	73,448	388,657
2015	329,424	59,233	388,657
2016	344,280	44,377	388,657
2017	359,806	28,851	388,657
2018	376,033	12,624	388,657
	\$ 4,014,939	\$ 1,426,259	\$ 5,441,198

Obligations Under Capital Lease: The Town's outstanding governmental activities obligations under capital lease at September 30, 2004 are summarized as follows:

Equipment: Lease purchase agreements dated January 24, 2002 through May 28, 2004 for copiers and other equipment with an original cost of \$93,286 and accumulated depreciation in an amount of \$28,376. Minimum future lease payments under these agreements at September 30, 2004 are as follows:

Year Ending September 30	Principal	Interest	Total Amount
2005	\$ 18,141	\$ 3,538	\$ 21,679
2006	14,568	2,383	16,951
2007	12,256	1,397	13,653
2008	12,171	719	12,890
2009	5,977	101	6,078
	\$ 63,113	\$ 8,138	\$ 71,251

Business-type Activities

Changes in business-type activities long-term debt for the year ended September 30, 2004 are summarized as follows:

TOWN OF LAKE PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE G - LONG-TERM DEBT (Continued)

Year Ending September 30,	Interest Rate	Principal	Interest	Total
2018	5.25%	\$ 145,000	\$ 169,975	\$ 314,975
2019	5.25	155,000	162,363	317,363
2020	5.25	160,000	154,225	314,225
2021	5.00	170,000	145,825	315,825
2022	5.00	180,000	137,325	317,325
2023	4.50	185,000	128,325	313,325
2024	4.50	195,000	120,000	315,000
2025	4.50	205,000	111,225	316,225
2026	5.00	215,000	102,000	317,000
2027	5.00	225,000	91,250	316,250
2028	5.00	235,000	80,000	315,000
2029	5.00	245,000	68,250	313,250
2030	5.00	260,000	56,000	316,000
2031	5.00	275,000	43,000	318,000
2032	5.00	285,000	29,250	314,250
2033	5.00	300,000	15,000	315,000
		\$ 4,810,000	\$ 4,338,488	\$ 9,148,488

Obligations Under Capital Lease: Obligations under capital lease of the Town's business-type activities at September 30, 2004 consisted of the following:

Vehicles: Lease purchase agreement dated May 28, 2004 for sanitation vehicles with an original cost of \$171,285. Accumulated depreciation on the vehicles at September 30, 2004 was \$3,366. The minimum future lease payments due under this agreement at September 30, 2004 are as follows:

Year Ending September 30,	Principal	Interest	Total Amount
2005	\$ 32,051	\$ 5,489	\$ 37,540
2006	33,303	4,237	37,540
2007	34,605	2,935	37,540
2008	35,957	1,583	37,540
2009	17,259	1,511	18,770
	\$ 153,175	\$ 15,755	\$ 168,930

The total amount of interest cost incurred on all Town debt for the year ended September 30, 2004 was \$274,206. In accordance with FASB Statement No. 62, the Town capitalized interest costs of \$200,382 on construction in progress in the enterprise funds and \$73,374 was expensed.

TOWN OF LAKE PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE H - PENSION PLANS (Continued)

Defined Benefit Plans: The Town administers two single employer, defined benefit pension plans that cover no current Town employees. The Retired Police Officers' Pension Fund covers certain police retirees and the Municipal Firemen's Pension Fund is a terminated pension plan that covered substantially all former full-time fire department employees.

**Retired Police Officers' Pension Fund:** Effective October 1, 2001, the Palm Beach County Sheriff's Office (PBSO) was contracted to provide police services for the Town. In connection with the transfer of Town police services to the PBSO, the active plan members of the plan were terminated and eligible for a jump sum payout. Effective November 20, 2002, the Town terminated the Municipal Police Officers' Retirement Trust Fund and distributed jump sum payouts to the vested participants. On October 15, 2003, the Town established the Retired Police Officers' Pension Fund for the retirees covered by the original plan and transferred substantially all remaining assets of the original plan to the new plan in April 2004. Accordingly, at September 30, 2004 the Retired Police Officers' Pension Fund is showing one year of plan information.

The Retired Police Officers' Pension Fund is a substituted trust established on October 1, 2003 by Town Ordinance No. 12-2003 to provide the retired members of the previous defined benefit pension plan with the monthly retirement benefits that were accrued under the prior plan. Accordingly, the Retired Police Officers' Pension Fund covers only retirees and has no active plan members or employees of the Town that are eligible to participate and the provisions of the Retired Police Officers' Pension Fund as established by Town ordinance, do not address any provisions related to vesting, eligibility for retirement, future retirement benefits, other benefits, or employee contributions. The Town is required to contribute actuarially determined amounts sufficient to fund the plan.

Membership at September 30, 2004, the date of the most recent financial report, was as follows:

Retirees and beneficiaries receiving benefits	3
Service retirees	4
Disability retirees	7
Total plan members	7

Employer contributions to the plan by the Town from the plan's date of inception on October 1, 2003 were as follows:

Year Ended	2004
September 30,	\$ 9,622
Annual Required Contribution	100 %
Contributed	

A schedule of funding progress is presented as required supplementary pension information in the Town's comprehensive annual financial report.

TOWN OF LAKE PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE H - PENSION PLANS (Continued)

present the separate financial statements for each plan in the notes to the financial statements. Financial statements for the three pension plans as of and for the year ended September 30, 2004 are as follows:

Statements of Plan Net Assets			
	General Employees' Retirement Fund	Municipal Firemen's Pension Fund	Retired Police Officers' Pension Fund
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 48,041	\$ 13,393
Investments	-	-	-
Money market mutual funds	-	206,466	1,197
Mutual funds	894,775	-	1,921,822
Receivables:			
Employer contribution	-	-	9,622
Interest and dividends	-	55	-
Total assets	894,775	254,562	1,946,034
<b>LIABILITY</b>			
Accounts payable	-	-	21,590
<b>NET ASSETS held in trust for pension benefits</b>	\$ 894,775	\$ 254,562	\$ 1,924,444
Statements of Changes in Plan Net Assets			
<b>ADDITIONS</b>			
Contributions	\$ 70,349	\$ -	\$ 9,622
Employer	102,493	-	-
Employees	172,842	-	-
Total contributions	172,842	-	9,622
Investment earnings	45,349	-	19,101
Net appreciation in fair value of investments	15,661	-	18,441
Interest and dividends	61,010	1,375	37,542
Net investment income	15,661	1,375	47,164
Total additions	233,852	1,375	176,412
<b>DEDUCTIONS</b>			
Retirement benefits	-	-	41,422
Refunds of contributions	79,411	-	12,573
Administrative expenses	-	-	217,834
Total deductions	79,411	12,573	(170,670)
Change in net assets	154,441	(11,198)	2,095,114
Net Assets, beginning of year	740,334	265,760	1,924,444
Net Assets, end of year	\$ 894,775	\$ 254,562	\$ 1,924,444

TOWN OF LAKE PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE K - COMMITMENTS AND CONTINGENCIES (Continued)

**Risk Management:** The Town of Lake Park is exposed to various risks of loss related to torts; theft of or damage to and the destruction of assets; errors and omissions and natural disasters for which the Town carries commercial insurance through the Florida League of Cities, Inc., a statewide commercial insurance program. The policy for comprehensive property, casualty and liability insurance provides coverage with a deductible of \$1,000 for property and casualty and \$25,000 for liability claims per occurrence, with a combined annual cap of \$1 million. The Town does not retain any risk of loss under this policy.

The Town has established a risk management program for workers' compensation where premiums are paid from each department to the Florida League of Cities who fully insures all claims to a statutory level. The Town does not retain any risk of loss under this policy. There were no significant reductions in insurance coverage from the prior year. The amount of insurance settlements has not exceeded the Town's insurance coverage in any of the prior three fiscal years.

**Contract Commitments:** The Town has an uncompleted construction contract for the construction of the marina. The construction is being funded primarily from the proceeds of the Series 2003A revenue bonds. At September 30, 2004 the remaining commitment on this uncompleted contract was as follows:

Project	Contract Amount	Approved Payments	Remaining Contract Commitment
Marina improvements	\$ 819,849	\$ 435,451	\$ 384,398

NOTE L - CHANGE IN ACCOUNTING AND RESTATEMENTS

On October 1, 2003 the Town implemented the provisions of the following pronouncements of the Governmental Accounting Standards Board (GASB):

- Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*
- Statement No. 37, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments: Omnibus*
- Statement No. 38, *Certain Financial Statement Note Disclosures*

These GASB pronouncements were all related to new financial reporting requirements for all state and local governmental entities. The more significant of the changes affecting the Town as required by the new reporting standards include the following:

- Presentation of *Management's Discussion and Analysis*
- Presentation of *Basic Financial Statements* that include:
  - Government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting;
  - Fund financial statements, consisting of a series of statements that focus on a government's major governmental and proprietary funds;

REQUIRED SUPPLEMENTARY INFORMATION



TOWN OF LAKE PARK, FLORIDA

BUDGETARY COMPARISON SCHEDULE-  
GENERAL FUND NON-GAAP BUDGETARY BASIS

Year Ended September 30, 2004

REVENUES	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Taxes</b>				
General property taxes	\$ 2,863,433	\$ 2,863,433	\$ 2,862,846	(587)
Franchise taxes				
Electricity	325,000	325,000	455,266	130,266
Gas	4,000	4,000	3,749	(251)
Solid waste	10,000	10,000	14,749	4,749
Utility taxes	525,000	525,000	512,493	(12,507)
Water	110,000	110,000	103,568	(6,432)
Gas	3,000	3,000	2,019	(981)
<b>TOTAL TAXES</b>	<u>3,840,433</u>	<u>3,840,433</u>	<u>3,954,690</u>	<u>114,257</u>
<b>Licenses and Permits</b>				
Building permits	275,000	275,000	151,649	(123,351)
Alarm permits	4,000	6,000	8,575	2,575
Occupational licenses	224,000	254,000	250,694	(3,306)
Contractors fees	2,000	2,000	1,940	(60)
<b>TOTAL LICENSES AND PERMITS</b>	<u>505,000</u>	<u>537,000</u>	<u>412,858</u>	<u>(124,142)</u>
<b>Intergovernmental Revenues</b>				
State shared revenues	617,554	617,554	661,796	44,242
Local government sales tax	515,000	515,000	500,277	(14,723)
Local communication service tax	173,059	173,059	185,368	12,309
State revenue sharing	10,000	10,000	10,364	364
Alcoholic beverage licenses	5,000	5,000	2,388	(2,612)
County shared revenues	25,000	25,000	26,716	1,716
County occupational licenses	15,520	15,520	15,764	244
State grant				
State aid to libraries	1,361,133	1,361,133	1,402,673	41,540
<b>TOTAL INTERGOVERNMENTAL REVENUES</b>	<u>1,361,133</u>	<u>1,361,133</u>	<u>1,402,673</u>	<u>41,540</u>

(Continued)

See notes to budgetary comparison schedule.

TOWN OF LAKE PARK, FLORIDA

BUDGETARY COMPARISON SCHEDULE--

GENERAL FUND NON-GAAP BUDGETARY BASIS (Continued)

Year Ended September 30, 2004

EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Legislative	\$ 32,515	\$ 34,015	\$ 33,873	\$ 142
Personal services	56,775	56,775	36,092	20,683
Operating expenditures	88,262	99,062	3,000	96,062
Emergency reserve	177,552	189,852	72,965	116,887
Town Manager	213,299	217,799	217,069	730
Personal services	39,272	39,272	32,649	6,623
Operating expenditures	252,571	257,071	249,718	7,353
Personnel	96,672	97,172	76,734	20,438
Personal services	36,870	35,148	22,684	12,464
Operating expenditures	0	1,722	1,722	0
Town Clerk	133,542	134,042	101,140	32,902
Personal services	108,494	108,494	102,938	5,556
Operating expenditures	106,240	106,240	48,426	57,814
Capital outlay	770	770	648	122
Finance	215,504	215,504	152,012	63,492
Personal services	258,382	258,382	249,798	8,584
Operating expenditures	109,850	109,850	106,109	3,741
Legal	368,232	368,232	355,907	12,325
Operating expenditures	190,000	280,594	306,240	(25,646)
Information Technology	36,700	35,948	23,136	12,812
Operating expenditures	20,600	21,352	16,223	5,129
Capital outlay	57,300	57,300	39,359	17,941
TOTAL GENERAL GOVERNMENT	1,394,701	1,502,595	1,277,341	225,254
Public Safety	1,500	1,500	0	1,500
Law Enforcement	1,666,410	1,666,410	1,577,038	89,372
Personal services	1,500	1,500	0	1,500
Operating expenditures	1,666,410	1,666,410	1,577,038	89,372
Total Law Enforcement	1,667,910	1,667,910	1,577,038	90,872

(Continued)

See notes to budgetary comparison schedule.

TOWN OF LAKE PARK, FLORIDA

BUDGETARY COMPARISON SCHEDULE-

GENERAL FUND NON-GAAP BUDGETARY BASIS (Continued)

Year Ended September 30, 2004

EXPENDITURES Culture and Recreation (Continued) Recreation Personal services	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating expenditures	\$ 138,947	\$ 138,947	\$ 123,825	\$ 15,122
TOTAL CULTURE AND RECREATION	224,897	246,568	234,827	11,741
Personal services	764,393	796,343	745,856	50,487
Vehicle Maintenance	104,191	108,091	103,604	4,487
Personal services	24,000	25,000	22,205	2,795
Operating expenditures	1,500	500	0	500
Capital outlay	129,691	133,591	125,809	7,782
TOTAL VEHICLE MAINTENANCE	6,800	6,800	0	6,800
Principal retirement	750	750	0	750
Interest charges	7,550	7,550	0	7,550
Physical Environment	6,000	6,000	0	6,000
Principal retirement	3,000	3,000	0	3,000
Interest charges	9,000	9,000	0	9,000
Culture and Recreation	16,000	16,000	8,723	7,277
Principal retirement	7,000	7,000	274	6,726
Interest charges	23,000	23,000	8,997	14,003
TOTAL DEBT SERVICE	39,550	39,550	8,997	30,553
TOTAL EXPENDITURES	6,118,614	6,263,835	5,650,085	613,750
Transfers out	0	0	140,549	(140,549)
Transfer to Park Avenue Property Fund	6,118,614	6,263,835	5,790,634	473,201
TOTAL EXPENDITURES AND TRANSFERS	6,118,614	6,263,835	5,790,634	473,201
NET CHANGE IN FUND BALANCES	\$ 0	\$ 0	\$ 314,012	\$ 314,012

See notes to budgetary comparison schedule.

TOWN OF LAKE PARK, FLORIDA

NOTES TO BUDGETARY COMPARISON SCHEDULE

September 30, 2004

NOTE B - BUDGET AND ACTUAL COMPARISONS

The budgetary comparison schedule - General Fund is prepared under the basis of accounting used in preparing the appropriated budget. As indicated in Note A, for budgetary purposes, proceeds from the sale of fixed assets are treated as revenues, current year encumbrances are treated as expenditures and capital lease obligations are not budgeted. As a result, general fund revenues and expenditures reported in the budget and actual statement differ from the revenues and expenditures reported on the GAAP basis. These differences are reconciled as follows:

	Revenues	Expenditures
Current year encumbrances outstanding at year end	\$ -	\$ 14,002
Prior year encumbrances paid in the current year	-	(2,176)
Net encumbered amount	-	11,826
Expenditures for capital lease obligations	-	(61,606)
Proceeds from the sale of fixed assets	100	-
Net differences - GAAP and budgetary basis	100	(49,780)
GAAP basis	6,104,546	5,699,865
Budgetary basis	\$ 6,104,646	\$ 5,650,085

**COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS  
AND SCHEDULES**

TOWN OF LAKE PARK, FLORIDA

SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL - DEBT SERVICE FUND

Year Ended September 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 857,315	\$ 857,315	\$ 848,513	\$ (8,802)
Investment earnings	3,500	3,500	3,882	382
	<u>860,815</u>	<u>860,815</u>	<u>852,395</u>	<u>(8,420)</u>
<b>Expenditures</b>				
Debt service				
Principal	396,252	396,252	396,252	0
Interest charges	<u>381,212</u>	<u>381,212</u>	<u>371,855</u>	<u>9,357</u>
	<u>777,464</u>	<u>777,464</u>	<u>768,107</u>	<u>9,357</u>
REVENUES OVER EXPENDITURES - BUDGETARY BASIS	<u>\$ 83,351</u>	<u>\$ 83,351</u>	84,288	<u>\$ 937</u>
Fund balances (deficit), beginning of year			<u>(755)</u>	
FUND BALANCES, END OF YEAR			<u>\$ 83,533</u>	

TOWN OF LAKE PARK, FLORIDA

SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL - CAPITAL PROJECTS BOND FUND

Year Ended September 30, 2004

Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Final Budget Positive (Negative)
	Original	Final		
	\$	\$	\$	\$
	Intergovernmental		14,418	14,418
	Proceeds from sale of assets		226,770	226,770
	Investment earnings		23,230	23,230
	Expenditures		680	680
	Culture and recreation		680	680
	REVENUES OVER (UNDER) EXPENDITURES - BUDGETARY BASIS	2,394,977	2,394,977	2,394,297
	Fund balances (deficit), beginning of year	2,394,977	2,394,977	2,394,297
	FUND BALANCES, END OF YEAR	\$ (2,394,977)	\$ (2,394,977)	\$ 2,658,715
			(67,164)	
			\$ 196,574	

## NONMAJOR GOVERNMENTAL FUNDS

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

**Police Education Fund** - This fund accounts for revenue received from fines issued by the Town's police department. Expenditures from this fund are generally for police education and training programs and equipment.

**Grants & Entitlements Fund** - This fund accounts for revenues received through grant programs and related expenditures as stated in the grant conditions.

**Streets & Roads Fund** - This fund accounts for state and local revenues for the expansion and improvement of the Town's roads and streets.

**Community Redevelopment Fund** - This fund accounts for all operations of the Town of Jupiter Community Redevelopment Agency, a blended component unit of the Town that is responsible for development of the Town's Riverwalk project.

**Capital Projects Funds** - The Capital Projects Funds are used to account for the acquisition of fixed assets or construction of major capital projects not financed by proprietary funds.

**Special Projects Fund** - This fund accounts for major capital projects financed by general governmental resources and federal and state grants.



Special Revenue Fund	Community Redevelopment Fund	Capital Projects Fund	Special Projects Fund	Total
\$ 81,720	\$ 81,720	\$ 6,222	\$ 102,131	\$ 164,619
0	0	14,866	18,541	33,407
6,884	6,884	20,813	18,541	46,222
80,428	80,428	254,379	43,947	583,182
87,312	87,312	296,680	43,947	618,251
(43,365)	(43,365)	5,346	(94,042)	(43,365)
\$ 81,720	\$ 81,720	\$ 164,619	\$ 164,619	\$ 618,251

Special Revenue Fund	Community Redevelopment Fund	Capital Projects Fund	Special Projects Fund	Total
\$ 65,426	\$ 993	\$ 62,279	\$ 406,022	\$ 993
66,419	66,419	62,279	407,015	407,015
42,795	42,795	2,276	45,071	351,911
2,110	2,110	2,110	2,110	2,110
114,195	114,195	114,195	114,195	114,195
18,279	18,279	18,279	18,279	18,279
42,795	42,795	136,860	531,566	531,566
23,624	23,624	(74,581)	(124,551)	(124,551)
58,096	58,096	31,216	(7,510)	(7,510)
\$ 81,720	\$ 81,720	\$ (43,365)	\$ (132,061)	\$ (132,061)

TOWN OF LAKE PARK, FLORIDA

SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL - COMMUNITY REDEVELOPMENT FUND

Year Ended September 30, 2004

Revenues	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Intergovernmental	\$ 128,000	\$ 128,000	\$ 65,426	\$ (62,574)
Investment earnings	128,000	128,000	66,419	993
Expenditures	124,925	124,925	42,795	82,130
General government	124,925	124,925	42,795	82,130
REVENUES OVER EXPENDITURES - BUDGETARY BASIS	\$ 3,075	\$ 3,075	23,624	\$ 20,549
Fund balances, beginning of year			58,096	
FUND BALANCES, END OF YEAR			\$ 81,720	

TOWN OF LAKE PARK, FLORIDA

COMBINING STATEMENT OF CHANGES IN  
PLAN NET ASSETS - PENSION TRUST FUNDS

Year Ended September 30, 2004

	Retired Police Officers' Pension Fund	Municipal Firemen's Pension Fund	General Employees' Retirement Fund	Total
<b>Additions</b>				
Contributions Employer	\$ 9,622	\$	\$ 70,349	\$ 79,971
Employees			102,493	102,493
Investment income	9,622	0	172,842	182,464
Net appreciation in fair value of investments	19,101	1,375	45,349	64,450
Interest and dividends	18,441	1,375	15,661	35,477
Net investment income	37,542	1,375	61,010	99,927
<b>Total Additions</b>	47,164	1,375	233,852	282,391
<b>Deductions</b>				
Retirement benefits	176,412			176,412
Refunds of contributions			79,411	79,411
Administrative expenses	41,422	12,573		53,995
<b>Total Deductions</b>	217,834	12,573	79,411	309,818
<b>NET INCREASE (DECREASE)</b>	(170,670)	(11,198)	154,441	(27,427)
Net Assets Held in Trust for Pension Benefits, beginning of year	2,095,114	265,760	740,334	3,101,208
Net Assets Held in Trust for Pension Benefits, end of year	\$ 1,924,444	\$ 254,562	\$ 894,775	\$ 3,073,781

**CAPITAL ASSETS USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS**

TOWN OF LAKE PARK, FLORIDA

SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY

September 30, 2004

	Land	Buildings	Equipment and Vehicles	Streets, Roads and Sidewalks	Total
General Purpose	\$ 663,717	\$ 1,237,100	\$	\$ 342,868	\$ 2,243,685
General Government			21,983		21,983
Legislative			74,482		74,482
General management			59,661		59,661
Town clerk			47,422		47,422
Finance	0	0	203,548	0	203,548
Public Safety					
Police department	36,003	476,850	118,601		476,850
Building department	36,003	12,083	118,601	0	166,687
Physical Environment		1,690,530	525,016		2,215,546
Public works					
Culture and Recreation					
Library		3,586,812	259,174		259,174
Parks and recreation	0	3,586,812	284,284	0	3,611,922
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ 699,720	\$ 7,003,375	\$ 1,131,449	\$ 342,868	\$ 9,177,412

**STATISTICAL SECTION**





Centrally Assessed Property		Total		Ratio of Total Assessed to Total Estimated Actual Value	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$ 497,374	\$ 497,374	\$ 264,489,601	\$ 264,489,601	1.00	1.00
539,480	539,480	265,244,977	265,244,977	1.00	1.00
529,512	529,512	264,071,648	264,071,648	1.00	1.00
656,174	656,174	272,103,568	272,103,568	1.00	1.00
669,941	669,941	277,809,405	277,809,405	1.00	1.00
692,324	692,324	277,199,444	277,199,444	1.00	1.00
730,032	730,032	332,252,768	332,252,768	1.00	1.00
732,819	732,819	303,592,706	303,592,706	1.00	1.00
859,592	859,592	421,997,080	421,997,080	1.00	1.00
897,274	897,274	523,312,921	523,312,921	1.00	1.00

Source: Palm Beach County Property Appraiser's Office.

TOWN OF LAKE PARK, FLORIDA

RATIO OF ANNUAL DEBT SERVICE REQUIREMENTS FOR GENERAL OBLIGATION  
DEBT TO TOTAL GENERAL FUND EXPENDITURES

(Unaudited)

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Principal*	Interest*	Total Debt Service*	Total General Expenditures**	Ratio of Debt Service to General Expenditures
1995	\$ 30,541	\$ 6,969	\$ 37,510	\$ 4,663,844	0.80 %
1996	32,744	4,766	37,510	4,761,836	0.79
1997	61,194	14,727	75,921	5,061,929	1.50
1998	223,424	222,369	445,793	5,635,920	7.91
1999	251,000	372,902	623,902	6,033,968	10.34
2000	372,211	449,365	821,576	7,457,480	11.02
2001	417,465	436,648	854,113	6,968,624	12.26
2002	462,769	421,607	884,376	6,723,704	13.15
2003	397,570	390,570	788,140	6,130,046	12.86
2004	417,354	372,129	789,483	6,467,972	12.21

\* Includes General Fund and Debt Service Fund expenditures for general long-term debt with scheduled maturities.

\*\* Includes General Fund and Debt Service Fund expenditures.

TOWN OF LAKE PARK, FLORIDA

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS

(Unaudited)

Last Ten Fiscal Years

Construction\*\*

Fiscal Year Ended September 30,	Property Value*	Commercial Number of Permits	Residential Number of Units	Value	Bank Deposits*** (in thousands)
1995	\$ 264,489,601	1	1	\$ 274,500	\$ 9,744,700
1996	265,244,977	0	0	0	9,545,424
1997	264,071,648	43	528	1,942,149	9,721,153
1998	272,103,568	78	558	2,007,980	10,941,912
1999	277,809,405	315	273	13,402,370	12,711,003
2000	277,199,444	145	453	2,169,320	22,384,588
2001	332,252,768	150	466	1,336,553	23,993,200
2002	303,592,706	289	609	33,860,468	24,934,136
2003	421,997,080	684	577	24,600,160	26,805,934
2004	523,312,921	337	524	16,795,566	27,673,857

\* Source: Total Assessed Property Value.

\*\* Source: Town Building Department

\*\*\* Source: Florida Bankers Association; data as of September 30th of the preceding year; includes time and demand deposits for all of Palm Beach County.

TOWN OF LAKE PARK, FLORIDA

MISCELLANEOUS STATISTICS

(Unaudited)

September 30, 2004

Date of Incorporation:

1923

Form of Government:

Town Commission-Manager with a Mayor and four Commission members elected for three-year overlapping terms. The Town Manager is appointed by the Commission.

Location and Area:

The Town of Lake Park encompasses an area of 2.39 square miles and is located approximately 3 miles north of the City of West Palm Beach, which is the county seat of Palm Beach County. The Town is generally bounded on the east by the Intracoastal Waterway, on the north by the Village of North Palm Beach, on the West by the City of Palm Beach Gardens and on the south by the City of Riviera Beach. Palm Beach county is located on the southeast coast of Florida and extends westward to Lake Okeechobee with a total area of 2,230 square miles including 46 miles of frontage on Lake Okeechobee.

Police Protection:

Contracted with Palm Beach County Sheriff's Office.

Fire Protection:

Contracted with Palm Beach County Fire/Rescue.

Recreation Facilities:

2 Lighted Basketball courts  
3 Ballfields - 2 lighted  
6 Tennis courts - 4 lighted  
Band shelter/Gazebo

Boat launching ramps - 4 at municipal Marina  
Parks - 8 locations with various recreational facilities and playgrounds.

Marina - currently undergoing renovation with expected completion in 2005

Water and Sewer System:

The Town's water and sewer service is provided by Seacoast Utility Authority, which provides water and sewer service to northern Palm Beach County's population.

**COMPLIANCE REPORT**

CERTIFIED PUBLIC ACCOUNTANTS  
 505 SOUTH FLAGLER DRIVE, SUITE 900  
 WEST PALM BEACH, FL 33401-3948  
 TELEPHONE (561) 832-9292  
 FAX (561) 832-9455  
 info@cdlcpa.com

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 LOUIS M. COHEN, CPA  
 DAVID S. DONTEN, CPA  
 SCOTT D. DRUKER, CPA, JD  
 JAMES B. HUTCHESSON, CPA  
 JAMES F. MULLLEN, IV, CPA  
 JOEL H. LEVINE, CPA  
 JAMES F. MULLLEN, IV, CPA  
 THOMAS A. PENNIE, JR., CPA  
 SCOTT L. PORTER, CPA  
 MARK D. VEIL, CPA

**Independent Auditor's Report on Internal Control Over Financial Reporting  
 and on Compliance and Other Matters Based on an Audit of Financial  
 Statements Performed in Accordance With Government Auditing Standards**

The Honorable Mayor and  
 Members of the Town Council  
 Town of Lake Park, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Lake Park, Florida, as of and for the year ended September 30, 2004, which collectively comprise the basic financial statements of the Town of Lake Park, Florida, and have issued our report thereon dated February 4, 2005. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the internal control over financial reporting of the Town of Lake Park, Florida, in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the financial statements of the Town of Lake Park, Florida, 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*.

The detailed capital asset records for the Town's governmental capital assets were not reconciled to the general ledger at September 30, 2004. Several assets were recorded in different departments in the detail records than in the general ledger and assets acquired with capital leases during the year were not recorded. If the reconciliation process is to serve as an effective control procedure the subsidiary account ledger must be reconciled to the general ledger. We recommend that the subsidiary capital asset records be reconciled to the capital outlay expenditure accounts and general ledger on a monthly basis.

Reconciliation of Fixed Assets (2004-1)

**CURRENT YEAR COMMENTS AND RECOMMENDATIONS**

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which requires that we address certain compliance and other matters in the management letter, if not already addressed in the auditor's report on compliance and internal control. In planning and performing our audit of the basic financial statements of the Town of Lake Park, Florida, for the year ended September 30, 2004, we considered the Town's internal controls in order to determine the scope of our audit procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the Town's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements.

We conducted our audit in accordance with U.S. generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated July 28, 2005, should be considered in conjunction with this management letter.

The Honorable Mayor and  
Members of the Town Commission  
Town of Lake Park, Florida

Management Letter

WILLIAM K. CALER, JR., CPA  
LOUIS M. COHEN, CPA  
DAVID S. DONTEN, CPA  
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The following findings and recommendations in the Auditor General's Reports were identified as having not been resolved or only partially resolved and may require further action by the Town.

- Prior Audit Findings \*
- Written Policies and Procedures
- Separation of Duties \*
- Audit Report \*
- Financial Condition \*
- Budget Preparation
- Budget Overexpenditures \*
- Bank Reconciliations \*
- Stale-Dated Checks \*
- Check Signing
- Electronic Transfer of Funds \*
- Investment Earnings \*
- Tangible Personal Property Records
- Tangible Personal Property Inventory
- Property Renovation Loan
- Accountability for Restricted Revenues
- Local Option Fuel Tax \*
- Responsibility for Collections
- Sanitation Fee Collections
- Hiring Practices
- Compensatory Leave
- Insurance Overpayments \*
- Credit Cards
- Inadequately Documented/Unauthorized Expenditures \*
- Written Agreements
- Competitive Selection Process
- Inadequate Support for Contractual Expenditures
- Contract for Police Services
- Contract for Fire and Emergency Services
- Contract for Construction Services \*
- Travel Policies
- Travel Allowance
- Taxable Meal Allowance
- Telecommunication Taxes \*
- Vehicle Utilization Records
- Sunshine Law \*

The management of the Town believes that those comments indicated by an \* have been adequately addressed. The remainder of the comments require further work by the Town.

Arbitrage Rebate Calculation (2001)

The Town has not performed an arbitrage rebate calculation for its outstanding bond issues. We recommend that the Town contract for this service prior to its five year reporting deadline to accurately determine if there is an arbitrage rebate liability for its bond.

Accounting Policies and Procedures Manual (2000)

The Town has numerous accounting policies and procedures that were developed over several years. Since the original development of these policies and procedures, there have been numerous



July 28, 2005

*Cole, Denton, Levine,  
Buckley, Porter & Veil, P.A.*

rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures; (4) failures to properly record financial transactions; and (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. Our audit of the Town of Lake Park, Florida, for the year ended September 30, 2004 disclosed none of the foregoing matters that are required to be disclosed, other than those matters reported in our management letter.

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



September 26, 2005

The Honorable Mayor and  
Town Commissioner and  
Town Manager

RE: Response to the Management Letter required by the Rules of the Auditor General  
for the State of Florida for the F.Y.E. September 30, 2004.

I have received a copy of the Management Letter from the Town's auditor and I offer the  
following responses.

**Reconciliations of Fixed Assets:**

This is an area that the Finance Department is aware that needs attention. We have begun  
this year to enter fixed assets as they are acquired and removing them as soon as they are  
disposed of. We are also keeping track of transfers within the departments. This will help  
keep the fixed asset module and the general ledger reconciled.

**Adjusting Entries:**

This has been addressed. Once the Finance Department was aware of this matter we  
ordered a journal entry stamp. Currently every journal entry is assigned a sequential  
number and since this is done by a mechanical stamp, numbers can not be used twice.

**Budget Over-Expenditures:**

Expenditures are closely monitored during the fiscal year and budget amendments are  
done accordingly. Last year during the month of September we suffered two hurricanes  
and expenditures were not monitored as closely and a final budget amendment was not  
done under the circumstances.

**Prior Year Findings:**

**Authorized Account Signers:**

The Finance Department thought this had been taken care of. We sent the new  
authorization to add myself and remove the previous finance director. Unfortunately, our  
request never was done at the SBA. We have sent the original request again and have  
verified that it has been completed on the SBA side.



# Diamond Detective Agency Inc.



## Lake Park, Florida

Presentation

November 16, 2005

# Corporate Overview

- Growing National Firm founded in 1970
- Incorporated in Illinois
- Corporate Office located in Chicago Heights, IL.
- American Family Owned & Operated
- Currently Operating in 16 States
  - Licensed in 25 States
  - Over 1000 employees
  - 7 Branch Offices
  - 24 Hour National Support (Dispatch) Center
- Annual Sales Over \$22 Million
- Current Annual Growth of 10%

# Corporate Overview (Cont'd)

- Unarmed Security Officers
- Armed Security Officers
- Plain Clothes Loss Prevention Officers
- Security Foot Patrol
- Security Mobile Patrol
- Uniformed Gate Officers
- Uniformed Court Officers
- Alarm Response
- Investigations
- Plain Clothes Security Officers
- Operators/Dispatchers
- Uniformed Security Monitors
- Plain Clothes Court Officers
- Uniformed Magnetometer Detectors
- Uniformed Loss Prevention
- Uniformed Supervision

# Manager/Supervisor Model

## Model Statement

1. Staffing, Recruitment and Selection
  - a. Positive Direction, Motivation and Counseling
  - b. Internal Development & Growth
2. Contract/Client Development
  - a. Transition (Phase In - Corporate Transition Team)
    - a. Initial Recruitment and Conversion
    - b. Equipment Procurement and Pre-Start Training
    - c. Start-up Monitoring
    - d. Development of Standard Operating Procedures
    - e. Post Start-up Meeting
3. Quality Control, Quality Assurance
  - a. Local Quality Assurance Monitors
  - b. Quality Control Surveys
  - c. Client Contact Meetings

# Recruitment & Retention Plan

- Attempt Maximum Retention of Current Qualified Incumbent Guard Staff
- Wages competitive with the average wage in the service area
- Competitive Supervision and Management Rates; Commensurate with Industry
  - Experience, Training & Education
- Benefits
  - Affordable Health & Welfare Plan
  - Actual Anniversary Pay Check
  - 401K Plan Available
  - Internal Development & Growth
  - Upward Mobility
  - Direct Deposit
  - Employee Referral Incentive Plan

# Training

- State of Florida
  - Completion of all requirements for a Class "D" license State of Florida
- DDA Orientation
  - Completed by Site Supervisor prior to start of employment
- On-Site Training/Orientation
  - Initially completed in coordination with Lake Park Staff
  - Post start On-Site Training will be completed by Site Supervisor
- Recurring or Incidental Training
  - Planned annually or as needed by the Site Supervisor



# Licensing Compliance

- The 2005 Florida Statutes
- [Title XXXII](#)
- [REGULATION OF PROFESSIONS AND OCCUPATIONS](#)
- [Chapter 493](#)
- [PRIVATE INVESTIGATIVE, PRIVATE SECURITY, AND REPOSSESSION SERVICES](#)
- [View Entire Chapter](#)
- [493.6301](#) Classes of licenses.--
- (1) Any person, firm, company, partnership, or corporation which engages in business as a security agency shall have a Class "B" license. A Class "B" license is valid for only one location.
- (2) Each branch office of a Class "B" agency shall have a Class "BB" license. Where a person, firm, company, partnership, or corporation holds both a Class "A" and Class "B" license, each branch office shall have a Class "AB" license.
- (3) Any individual who performs the services of a manager for a:
  - (a) Class "B" security agency or Class "BB" branch office shall have a Class "MB" license. A Class "M" licensee, or a Class "D" licensee who has been so licensed for a minimum of 2 years, may be designated as the manager, in which case the Class "MB" license is not required.
  - (b) Class "A" and Class "B" agency or a Class "AB" branch office shall have a Class "M" license.
- (4) A Class "D" licensee shall own or be an employee of a Class "B" security agency or branch office. This does not include those individuals who are exempt under s. [493.6102\(4\)](#) but who possess a Class "D" license solely for the purpose of holding a Class "G" license.
- **(5) Any individual who performs the services of a security officer shall have a Class "D" license.** However, a Class "C" licensee or a Class "CC" licensee may perform bodyguard services without a Class "D" license.
- (6) Only Class "M," Class "MB," or Class "D" licensees are permitted to bear a firearm, and any such licensee who bears a firearm shall also have a Class "G" license.
- (7) Any person who operates a security officer school or training facility must have a Class "DS" license.
- (8) Any individual who teaches or instructs at a Class "DS" security officer school or training facility must have a Class "DJ" license.

**FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES**

**CHARLES H. BRONSON**

**COMMISSIONER**

**DIVISION OF LICENSING**

ISSUE DATE: 03/15/05

LICENSE NO. B 9000155

THE AGENCY OR SCHOOL NAMED BELOW IS  
LICENSED AND REGULATED UNDER THE  
PROVISIONS OF CHAPTER 493, FLORIDA STATUTES,  
FOR THE PERIOD EXPIRING APRIL 12, 2008

SECURITY AGENCY

DIAMOND DETECTIVE AGENCY, INC.  
757 N.W. 27TH AVENUE  
SUITE 202  
MIAMI, FL 33125

JORDAN, JOHN JR  
SECRETARY  
JORDAN, JOHN JR  
DIRECTOR



*Charles H. Bronson*

**CHARLES H. BRONSON**  
**COMMISSIONER**

# DDA Corporate Office and Regional Offices

Our goal is to provide services for our citizens. States where these services are needed but have current operations



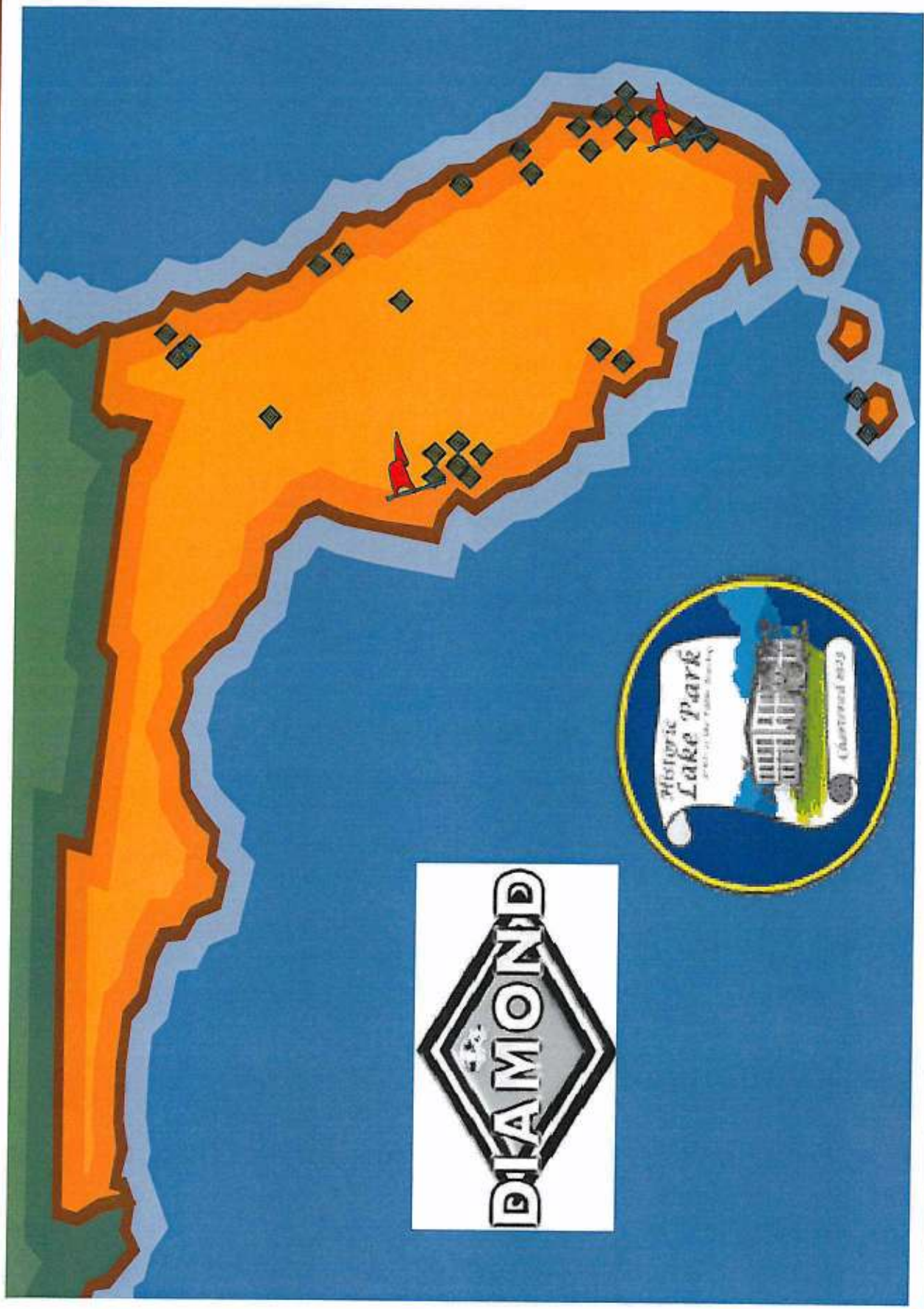
# Commitment to Growth in the State of Florida

- FAA Facilities
  - Jacksonville, Miami, Orlando, Daytona Beach, Tampa
- Motel 6
  - Fort Lauderdale, Dania Beach, Fort Pierce
- Red Roof Inn
  - West Palm Beach, Fort Lauderdale
- Department of Education
  - University of Florida Gainesville - College of Veterinary Medicine
  - State of Florida Daytona Beach – Department of Education
  - Lee County School District – Fort Myers
- City of Tampa
  - Museum of the Art, Ybor Service Center, Solid Waste Management, Hillsborough Transit District, Municipal Office Buildings
- Key West
  - Keyes Energy, Radisson Hotel

# References

- Illinois School District #205
  - Oldest Customer Since 1970
- Dept. of Homeland Security
  - States of Service Since 1992
    - Utah
    - Illinois
    - Indiana
- Federal Aviation Administration
  - Southern Region
  - Western Pacific
  - Northwest Mountain Region
  - Great Lakes Region
- Niagara Frontier Transportation Authority
  - Buffalo Niagara International Airport
- State of Florida
  - St. John's Water Management District
- State of Louisiana
  - St. Bernard Mental Health Clinic
- City of Austin
  - Water Utility Department
- State of Texas
  - John H Winters Building
  - Brown Heatly Building
  - Texas Commission on Environmental Quality
  - Department of Public Safety (Headquarters)
- State of Indiana
  - Disability Determination Bureau
- State of Illinois
  - Illinois State Police Forensic Science Lab

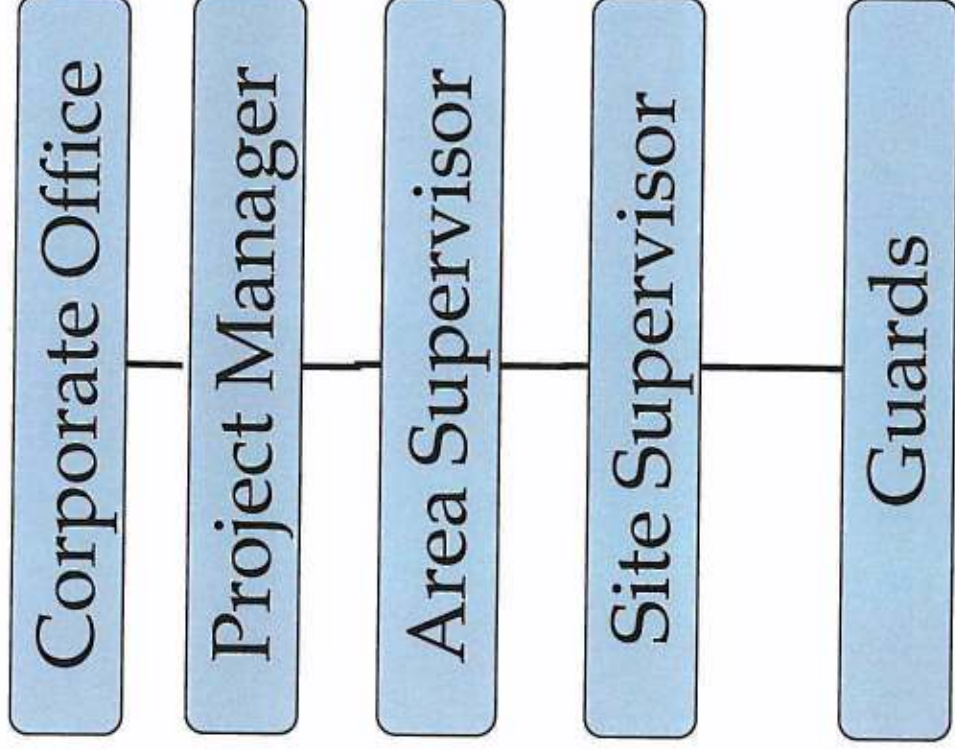
# Current Locations of Service



# Lake Park Marina



# DDA - Lake Park Organizational Plan





## Vision Labor Management Software

- Allows DDA to efficiently and accurately assign the right employees for your facility
- Automation provides for accurate billing of customers and payroll for employees
- 24/7 access to software from any computer with internet access
- Check On and Check Off completed with the use of an 800 number

# Vision Labor Mgt. Software (Cont'd)

Diamond Detective Agency Vision - VISION (WASHINGTON OFFICE) - [Schedule 1]

File Masters Week Billing Tools Window Help

Monthly 05/14/2005 1203 FAA - WASHINGTON User Name [JJM] SHOW ALL Stop Auto Refresh Stop Auto Unconfirm

NAME	IN	OUT	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
FAA - AUBURN ARTCC			Contract: 60	376	Actual: 56	376	Variance: 56	0	56
FAA - AUBURN ARTCC - SUPEF	06:00	14:00		HALE, P 06:00 - 14:00	HALE, P 06:00 - 14:00	HALE, P 06:00 - 14:00	HALE, P 06:00 - 14:00	HALE, P 06:00 - 14:00	HALE, P 06:00 - 14:00
	00:00	06:00	SHERMAN, G 00:00 - 06:00						
	06:00	14:00		YOUNCE, M 06:00 - 14:00	YOUNCE, M 06:00 - 14:00	YOUNCE, M 06:00 - 14:00	YOUNCE, M 06:00 - 14:00	YOUNCE, M 06:00 - 14:00	YOUNCE, M 06:00 - 14:00
	18:00	00:00	KESSLER, B 06:00 - 18:00						
FAA - AUBURN ARTCC - POST 2	14:00	22:00		KESSLER, B 14:00 - 22:00	KESSLER, B 14:00 - 22:00	SHERMAN, G 14:00 - 22:00	LOPEZ, W 14:00 - 22:00	SHERMAN, G 14:00 - 22:00	KESSLER, B 06:00 - 18:00
	18:00	00:00	SHERMAN, G 18:00 - 06:00						SHERMAN, G 18:00 - 00:00
	22:00	06:00		LOPEZ, W 22:00 - 06:00	SMITH, B 22:00 - 06:00	SMITH, B 22:00 - 06:00	SMITH, B 22:00 - 06:00	MCCARTHY, J 22:00 - 06:00	
	00:00	06:00	MCCARTHY, J 00:00 - 06:00						
FAA - AUBURN ARTCC - POST 3	06:00	14:00		JOHNSON, D 06:00 - 14:00	JOHNSON, D 06:00 - 14:00	JOHNSON, D 06:00 - 14:00	JOHNSON, D 06:00 - 14:00	JOHNSON, D 06:00 - 14:00	JOHNSON, D 06:00 - 14:00
	18:00	06:00	VANCE, M 06:00 - 18:00						VANCE, M 06:00 - 18:00

NOTES: Auburn 253-351-3404.

Schedule Open All Employees Employee Hrs Employee Actual Time Find Unconfirmed Confirm

7193 LOPEZ, WAYNE (253) 858-2846 Schedule Time 24 Actual Time 24 P

start Inbox - Microsoft Out... 6 Reminders Cost Work-Up Spread... Microsoft PowerPoint ... Diamond Detective A...

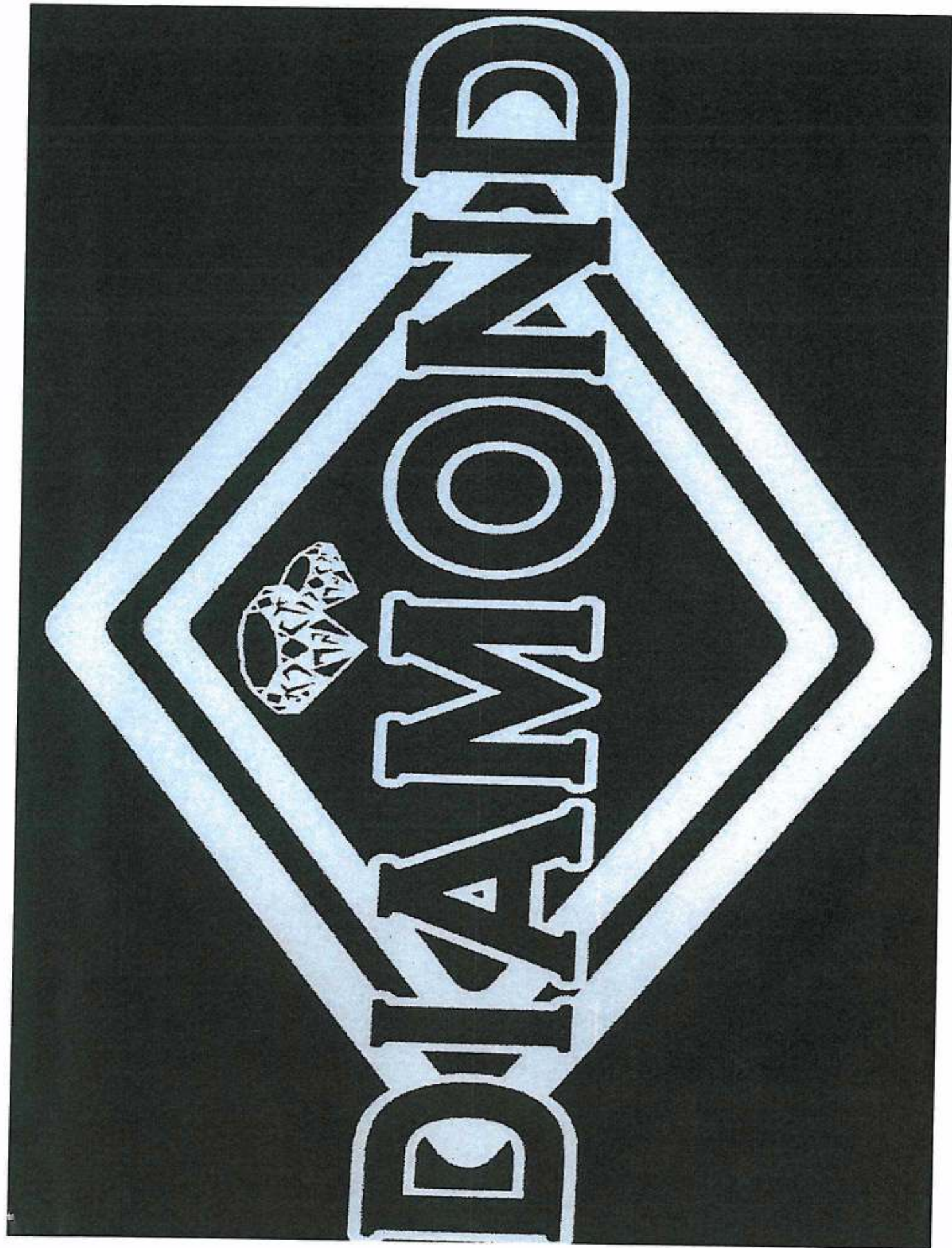
11:40 PM Monday 5/9/2005

# Vision Labor Mgt. Software (cont.)

- Ability to Job Match
  - Employee qualifications are matched to the requirements of the work site
- Work Site History
  - Schedulers only access employees that have worked the site previously or have been trained at the site
- Employee Training
  - Tracks employee licenses and training and ensures compliance (i.e. OJT, CPR, First Aid)
- Forbidden
  - Controls ability to schedule a person who has been removed from a work site

# Why Diamond?

- American Owned
- Family Values
- Service-Oriented
  - To our Customers
    - Value
    - Personalized Service
  - To our Employees
    - Competitive Wages and Benefits
- Training
- Value Pricing





# ADVANCED NATIONAL SECURITY & INVESTIGATIONS

110 Shore Drive • Riviera Shores, Florida 33404 • 561-845-8386

Lic. # A9800326

Lic. # B2000100

*35 Years  
Police K-9  
and  
Investigative  
Experience*



**STOP**

**PROTECTED BY**

**ADVANCED**



**NATIONAL**

**SECURITY**

**561**

**845-8386**



# **ADVANCED NATIONAL SECURITY & INVESTIGATIONS**

110 Shore Drive • Riviera Shores, Florida 33404 • 561-845-8386

Lic. # A9800326

Lic. # B2000100

## **SECURITY SERVICE PROPOSAL**

ADVANCED NATIONAL SECURITY AND INVESTIGATIONS, a duly licensed, bonded and insured security agency in the State of Florida, hereinafter referred to as "Advanced National" agrees to supply uniformed, armed/unarmed security K-9 officer service as per the details listed within this proposal. "Advanced National" has submitted this proposal for the sole use and evaluations of \_\_\_\_\_, which will be referred to hereinafter as "Client".

### **1. PERFORMANCE**

"Advanced National" will engage in the provision of security services during the hours established in the service schedule as listed in Paragraph 6, herein.

"Advanced National," is proposing that it's security services be utilized for the prevention and/or deterrent of violations against the rules and regulation of the "Client" community. Such preventive and/or deterring actions of "Advanced National" personnel, will be made in strict compliance with local, county, state and federal laws. "Advanced National" will establish and perform within such boundaries, of a security program for "Client." This program will expressly outline the security policies and procedures, that "Client," desire "Advanced National" personnel to adhere to and perform. These policies and procedures will be completed in the form of a "Client" post duty directory, which will be created by "Advanced National" executive management. This directory will clarify and explain the general and more detailed security operating standards of the "Client" community, which will include but not be limited to the following categories, for strict enforcement at the "Client" location:

*1.1; entry/exit procedures, 1.2; parking/traffic/valet, 1.3; repetitive patrolling/security perimeters, 1.4; burglary/fire alarm response, 1.5; pilferage/vandalism, 1.6; proper officer decorum/courtesy, 1.7; vagrancy procedures, 1.8; package delivery/forwarding, 1.9; emergency evacuation/disaster operations, 1.10; resident/administration notification, 1.11; equipment use/maintenance/safety regulations, 1.12; telephone/two way radio communications, 1.13; service hours/commercial vehicle restrictions, 1.14; law enforcement notification, 1.15; report/service document requirements.*

**ADVANCED NATIONAL  
SECURITY AND INVESTIGATIONS**



In addition to the above, "Advanced National" will provide a Road Patrol Supervisor with a trained K-9 in a fully marked patrol vehicle to periodically inspect the premises of "Client" and the "Advanced National" Security Officer(s) on duty at the "Client" location(s). "Advanced National" will install upon "Client" approval, signs indicating that the premises of "Client" is secured by "Advanced National", to further deter burglars, vagrants and/or violators of the rules and regulations of "Client."

## **2. PERSONNEL**

"Advanced National" will provide "Client" with upstanding security officers that are approved through the Florida Department of State, Division of Licensing. Each "Advanced National" security officer, will have obtained a license from an authorized, Florida Department of State, licensing facility after satisfactorily completing the State mandatory class and security officer license test. This initial training/certification is in compliance with all applicable provisions of Chapter 493, Florida Statutes. "Advanced National" personnel will be fully trained in the handling of registered security dogs, as regulated by the State of Florida-Division of Licensing.

In addition to State required and enforced regulations, "Advanced National" will complete the following items within it's human resource department:

*2.1; Verbal verification from the local Florida Department of State – division of Licensing office, that the Security officer license of each individual is in good standing, free of any suspension or revocation action.*

Objective: To insure that in the interim period of the validation, certification and issuance process, of the security officer's license, the officer has not jeopardized his/her position with a violation of law, which could induce license suspension or revocation actions in addition to changes regarding the reputability of the individual.

*2.2; Residence verification is made by the "Advanced National" human resource director of each officer's permanent place of residency. This human resource director, inquires as to the permanent residency status of each officer which must conform to the residency investigative findings.*

Objective: To obtain a more detailed knowledge regarding the stability of the individual that "Advanced National" is employing and in turn assigning to the "Client". As a result of this process, "Advanced National" has reduced turnover that arises for the employment of transient individuals.

*2.3; All applicants are interviewed by either the "Advanced National" general manager or a member of the executive management staff. "Advanced National" interviewers carefully scrutinize the security officer applicants in categories, including, but no limited to previous:*

2.31; *employment performance*, 2.32; *job stability*, 2.33; *past experiences*, 2.34; *ability to excel*, 2.35; *advancement desires*, 2.36; *career goals*, 2.37; *personality*, 2.38; *tardiness/absence, along with a number of other factors*.

Objective: To minimize potential human and negligent error of security service performance provided to "Client".

2.4; *"Advanced National" human resource director, conducts a complete employer/employee orientation, which will include, but not be limited to:*

2.41; *training requirement*, 2.42; *company sick/vacation days*, 2.43; *medical benefit plan*, 2.44; *wage payment periods*, 2.45; *pension plan*, 2.46; *bonus/award programs*, 2.47; *employment reviews*, 2.48; *wage escalations*, 2.49; *expectations*, 2.50; *"Advanced National" history*, 2.51; *company goals*, 2.52; *equipment issuance in addition to completing a final evaluation/approval*.

Upon a favorable completion, each officer is assigned training sessions with "Advanced National" operation management.

Objective: To provide a detailed explanation of "Advanced National" employment opportunities, expectations, requirements and management desires for security officer acceleration, to enhance "Advanced National", as we as "Client" operations.

### **3. TRAINING**

"Advanced National" personnel are required to satisfactorily complete extensive classroom, as well as "on the job" training. These programs will consist of updated training information procedures that will enable the security officer and K-9 handler assigned to "Client" to perform the prescribed duties in a professional manner. "Advanced National" classroom training is geared to cover all phases of residential security. Each "Advanced National" officer is trained in the specific needs of the client. This program is constantly updated and supervised to insure compliance with "Client" directions. "Advanced National" cumulates superiority in this program by the implementation of the advanced video training tapes and testing materials of PSTN (Professional Security Television Network), as well as extensive K-9 instructions. This training with include:

3.1; *importance of position*, 3.2; *moral/team spirit*, 3.3; *wearing the uniform*, 3.4; *understanding the law*, 3.5; *public relations*, 3.6; *report creation/submission*, 3.7; *using post directory*, 3.8; *K-9 patrol procedures*, 3.9; *safety operations*, 3.10; *safe driving regulations*, 3.11; *emergency operations*, 3.12; *proper decorum's*, 3.13; *using equipment*, 3.14; *fire prevention*, 3.15; *proper health habits*, 3.16; *communications, for administering the proper security education for each officer*.

Although "Advanced National" trains each security officer/K-9 handler to perform his/her duties without hesitating, officer are instructed to immediately report all significant occurrences to the "Advanced National" account supervision and executive management. This program is constantly updated in the areas of decorum and modifications of instructions that occur which affect the security officer's position.

#### **4. INSURANCE COVERAGES**

Upon signing an "Advanced Security" Service agreement, "Client" will be furnished the following insurance coverage's:

*4.1; Workers' Compensation Insurance covering all personnel employed by "Advanced National" engaged in the performance of their duties at the "Client" location(s). "Advanced National" insures personnel at the "Client" location(s) in the amounts of the Florida State statutory limits in all categories.*

*4.2; General Liability Insurance, covering claims, including bodily injury and property damage, arising out of the negligent performance of assigned duties, (through a Class "A" rated carrier), with "Client" it's agents, servants, tenants, patrons and visitors listed in the account insured.*

#### **5. UNIFORMS**

"Advanced National" provides "Client" the finest quality of uniforms available. As a result "Advanced National" strictly monitors officers on their personal appearance.

The "Advanced National" police-type uniform with consist of the following:

*5.1; white elbeco shirts. 5.2; badge/whistle/chain/hook, 5.3; valid ID tag, 5.4 collar pins/license, 5.5; navy trousers, 5.6; black shoes/belt, 5.7; rain gear, 5.8; security emblems, to achieve a superior appearance.*

"Advanced National" will issue ample sets of uniforms to its security officers. Therefore, there is never an acceptable excuse for an officer to be less than meticulous.

#### **6. SERVICE SECHEDULE**

"Advanced National" will provide Security personnel coverage to "Client" as explained, listed and itemized in the weekly schedule and gross hour totals in ADDENDUM A, which will be created by "Advanced National" upon agreement of outlined service details as explained herein. "Advanced National" has proposed unit cost, as listed in Paragraph 8, based upon a minimum total of weekly hours to be 40. In turn, any reduction of minimum weekly hours prior to or after acceptance of this proposal may alter unit costs.

## 7. BILLING/PAYMENT TERMS

"Advanced National" will invoice "Client", for security personnel services and equipment provisions, if any, on a weekly basis, Vouchers will be due and payable in full in a Net 14-day payment term.

"Advanced National" may negotiate alternate payment terms with "Client" for which such terms and conditions will be outlined in a Service Agreement between the parties.

## 8. SERVICE RATES

"Advanced National" will charge the client the following rates for the services described in each category:

- 8.1 \$ \_\_\_\_\_ per hour for armed security officer.
- 8.2 \$ \_\_\_\_\_ per hour for unarmed security officer
- 8.3 \$ \_\_\_\_\_ per hour for K-9 & armed/unarmed security officer
- 8.4 \$ \_\_\_\_\_ per week for marked patrol vehicle.

All rates quoted above will have a time and one half charge applied for all hours worked during the following 7 legal holidays: Labor Day, Thanksgiving Day, Christmas Day, New Year's Day, Easter Day, Memorial Day and Independence Day.

Advanced National  
Security and Investigations



# **ADVANCED NATIONAL SECURITY & INVESTIGATIONS**

*Civil and Criminal Private Investigators*

**Road Patrol Division**

## **WHO'S WATCHING YOUR BUSINESS WHEN YOU ARE CLOSED?**

**We provide security patrols.**

**Service is performed by  
a licensed, armed, security officer,  
with a trained K-9 dog  
in a fully marked patrol vehicle.**

**Patrols consist of a complete perimeter security  
check verifying that all doors, windows, gates  
and exits are secure as instructed by the client.**

## **SERVICE SCHEDULE**

**Each stop consists of 15 to 20 minute random checks  
of your business properties throughout the night.**

**(Number of nightly stops to be determined by the client.)**

## **RATES**

- 1. \$ \_\_\_\_\_ per patrol visit**
- 2. \$ \_\_\_\_\_ per patrol visit / holiday overtime**

**FREE WARNING SIGNS PLACED ON PREMISES  
INDICATING CLIENT'S PROPERTY IS GUARDED by Advanced National Security.**



## Gran Central Corporation

2000 AVE. "P", SUITE 6, RIVIERA BEACH, FLORIDA 33404  
(407) 863-7500 FAX (407) 863-7591

Mr. Robert Wummer

Dear Sirs:

I am writing this letter for use as a recommendation on behalf of myself and my company. I have used your security guard services for nearly two years and have been extremely pleased with your company's services.

My company owns seven buildings in Riviera Beach, and I use On Guard Security at all of these buildings. At one location, which includes four of my company's buildings, I use your "around the clock" service with an armed guard patrolling on a golf cart with a trained K-9 dog. At the other three buildings I use your "road patrol" service where an armed supervisor with a trained K-9 dog randomly patrols the properties several times each night. You have also placed many of your company's signs around the properties, which has helped tremendously to deter "would be" problems.

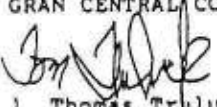
Additionally, there have also been several circumstances where I needed additional security and/or investigations. You have always responded immediately.

Since using your services, my crime problems have decreased about 99%. I highly recommend On Guard Security and Investigations.

Should anyone desire more information, please do not hesitate to have them call me.

Very truly yours,

GRAN CENTRAL CORPORATION

  
J. Thomas Truluck  
Assistant Regional Manager



1495 Forest Hill Blvd., Suite G - West Palm Beach, Florida 33406-6073  
Telephone 561-964-0700 • Fax 561-964-5551  
www.dpLewis.com  
Daniel P. Lewis, SIOR, CCIM

CORPORATE, COMMERCIAL & INDUSTRIAL REAL ESTATE SERVICES

To Whom It May Concern:

**RE: ROBERT WUMMER OF ADVANCED NATIONAL SECURITY**

I have had the pleasure of retaining Mr. Robert Wummer for security and investigation services for over five (5) years. The security personnel are polite to their customers and tenants while executing their detailed security plan and control. Their diligent efforts and attention to detail is not commonly found in the typical security firms within Palm Beach County.

In one case, we retained Mr. Wummer's security services for property known as the Garden Office Center, located at 7289 Garden Road, Riviera Beach. There was a history of crimes against persons and crimes against property. Once his firm took control of the security, these crimes ceased. The tenants and customers were pleased with their performance.

I highly recommend Mr. Wummer and his firm to provide security and investigation services for you and your company. Should you require additional details, please let me know.

Sincerely,

D. P. LEWIS & ASSOCIATES, INC.

Daniel P. Lewis, SIOR, CCIM  
President/Broker

DPL:leq





# **ADVANCED NATIONAL SECURITY & INVESTIGATIONS**

*Civil and Criminal Private Investigators*

## **Road Patrol Division**

### **MAROONE LINCOLN MERCURY**

3626 Northlake Boulevard  
North Palm Beach, Fl. 33403  
561 622-0770  
Road Patrol by Armed Security & K-9

### **COLUMBIA HOSPITAL**

2201 45 Street  
West Palm Beach, Fl 33407  
Eric Goldman 561 842-6141  
Security Officer on Golf Cart  
Road patrol / Armed Security & K-9

### **GULFSTREAM LUMBER**

1481 W. 15 Street  
Riviera Beach, Fl 33404  
561 472-9220  
Road Patrol by Armed Security

### **FARISH FARISH & ROMAN**

316 Banyan Street  
West Palm Beach, Fl 33401  
Joe Farish 561 659-3500  
K-9 Security/Investigations/Bodyguard

### **HORACE E BEACHAM ATTORNEY**

249 Peruvian Avenue  
Palm Beach, Fl 33480  
Ted Beacham 561 655-6658  
K-9 Security/Investigations/Bodyguard

### **DIVOSTA AND COMPANY**

Two Locations  
Curtis Ring, Pres. 561 627-3106  
2 Marked Patrol Vehicles  
Security Officer with K-9

### **MARINER SANDS**

6500 Mariner Sands Drive  
Stuart, Fl 34997  
Chief Edward Bennett 772-215-8961  
3 Marked Patrol Vehicle

### **MINTO COMMUNITIES INC**

4400 West Sample Rd. Suite 200  
Coconut Creek, Fl 33073  
Roger MacKenzie 561 793-7980  
3 Security Officers with K-9

NOTE: The above references have been provided for your exclusive administrative use to enable you the ability to properly evaluate the quality of our services prior to your company's contacting with Advanced National Security & Investigations. Please utilize these references but keep in mind that they are *confidential*.



# ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID JT  
ADVAN-9

DATE (MM/DD/YYYY)  
12/02/04

<b>PRODUCER</b>  SLATON INSURANCE P.O. Box 220537 West Palm Beach FL 33422 Phone: 561-683-8383 Fax: 561-684-5995	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
<b>INSURED</b>  Advanced Nat'l Security Advanced Nat'l Investigations 110 Shore Drive Riviera Beach FL 33404	<table border="1"> <tr> <th>INSURERS AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Everest Indemnity Company</td> <td></td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> </table>	INSURERS AFFORDING COVERAGE	NAIC #	INSURER A: Everest Indemnity Company		INSURER B:		INSURER C:		INSURER D:		INSURER E:	
INSURERS AFFORDING COVERAGE	NAIC #												
INSURER A: Everest Indemnity Company													
INSURER B:													
INSURER C:													
INSURER D:													
INSURER E:													

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR  <input checked="" type="checkbox"/> Per Project Aggre GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	51GL002203041	11/22/04	11/22/05	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/POP AGG \$ 1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY EA ACC \$ AGG \$
A	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 0	51E0000197041	11/22/04	11/22/05	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Fax: 845-6418

## CERTIFICATE HOLDER

FOR INFO

For Information Only

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL \*10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

