CITY OF PAHOKEE

AGENDA

City Commission Regular Meeting
Tuesday, October 27, 2026, at 6:00 PM

Pahokee Commission Chambers
360 East Main Street
Pahokee, Florida 33476

CITY COMMISSION:

Mayor Keith W. Babb, Jr.
Vice Mayor Isabelle J. McDonald
Commissioner Sanquetta Cowan-Williams
Commissioner Everett D. McPherson, Sr.
Commissioner James H. Scott

CHARTER OFFICERS:

Brenda L. Bryant, City Manager
Nylene Clarke, City Clerk
Burnadette Norris-Weeks, P.A., City Attorney

[TENTATIVE: SUBJECT TO REVISION]

AGENDA

A. CALL TO ORDER

B. INVOCATION AND PLEDGE OF ALLEGIANCE

C. ROLL CALL

D. ADDITIONS OF EMERGENCY BASIS FROM CITY MANAGER, DELETIONS AND APPROVAL OF AGENDA ITEMS

E. PRESENTATIONS / PROCLAMATIONS / PUBLIC SERVICE ANNOUNCEMENTS / PUBLIC COMMENTS *(agenda items only)*

(This section of the agenda allows for comments from the public to speak. Each speaker will be given a total of three (3) minutes to comment. A public comment card should be completed and returned to the City Clerk. When you are called to speak, please go to the podium or unmute your device, and prior to addressing the Commission, state your name and address for the record)

1. Presentation: FY 2024-2025 Annual Audit Report - Roderick Harvey, HCT Authorized Representative

2. Proclamation: Recognizing Mrs. Nohemi Polanco's Retirement and Nineteen Years of Service

F. CONSENT AGENDA

1. October 13, 2026 City Commission Meeting Minutes

2. October 20, 2026 City Commission Workshop Minutes

G. OLD BUSINESS (*discussion of existing activities or previously held events, if any)*

H. PUBLIC HEARINGS AND/OR ORDINANCES

1. ORDINANCE 2026-04 (FIRST READING) AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, PURSUANT TO FLORIDA STATUTES CHAPTER 171.044, PROVIDING FOR THE VOLUNTARY ANNEXATION OF A PARCEL OF UNDEVELOPED LAND CONTAINING APPROXIMATELY 19.92 ACRES, LOCATED SOUTHEAST OF STUCKEY ROAD AND EAST OF BAY BOTTOM ROAD, IN SECTION 9, TOWNSHIP 42 SOUTH, RANGE 37 EAST; UPON THE PETITION AND WRITTEN CONSENT OF THE OWNER PAHOKEE INVESTMENTS, INC.; FINDING THAT THE PROPERTY IS CONTIGUOUS AND REASONABLY COMPACT TO THE MUNICIPAL BOUNDARIES OF THE CITY AND OTHERWISE ELIGIBLE FOR ANNEXATION; ACKNOWLEDGING THAT AN APPLICATION FOR VOLUNTARY ANNEXATION, A MAP OF THE PROPOSED ANNEXATION AREA, AND A COUNTY ANNEXATION INFORMATION SHEET HAVE BEEN SUBMITTED TO PALM BEACH COUNTY; EXTENDING AND REDEFINING THE CORPORATE LIMITS OF THE CITY TO INCLUDE THE SUBJECT PROPERTY; PROVIDING FOR INTERIM FUTURE LAND USE AND ZONING DESIGNATIONS; PROVIDING FOR REVISION OF THE CITY CHARTER BOUNDARY DESCRIPTION PURSUANT TO SECTION 166.031, FLORIDA STATUTES TO INCORPORATE THE SUBJECT PROPERTY; DIRECTING THE CITY CLERK TO FILE CERTIFIED COPIES OF THIS ORDINANCE WITH ALL APPROPRIATE GOVERNMENTAL AGENCIES; PROVIDING FOR SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

2. ORDINANCE 2026-05 (FIRST READING) AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AMENDING SECTION 8-9, "VOTING PLACES," OF CHAPTER 8, ELECTIONS, OF THE CODE OF ORDINANCES TO DESIGNATE THE EDDIE LEE RHODES GYMNASIUM, LOCATED AT 360 EAST MAIN STREET, PAHOKEE, FLORIDA, AS THE CITY'S VOTING PLACE FOR MUNICIPAL ELECTIONS; PROVIDING FOR CONFLICT AND REPEALER; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN CODE; PROVIDING FOR AN EFFECTIVE DATE.

I. RESOLUTION(S)

1. RESOLUTION 2026-69 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, REAPPOINTING THREE MEMBERS AND APPOINTING TWO NEW MEMBERS TO THE PARKS AND RECREATION ADVISORY BOARD; PROVIDING FOR TWO-YEAR TERMS; PROVIDING FOR ADOPTION OF REPRESENTATIONS; PROVIDING FOR AN EFFECTIVE DATE.

2. RESOLUTION 2026-70 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AUTHORIZING AND RATIFYING INVOICES FROM MULTIPLE VENDORS FOR OPENING AND CLOSING AND VAULT SETTING SERVICES AT PORT MAYACA CEMETERY, AS ATTACHED HERETO AS EXHIBIT "A"; FURTHER RATIFYING THE SERVICES OBTAINED WHILE THE CITY'S BACKHOE WAS OUT OF SERVICE; PROVIDING FOR AN EFFECTIVE DATE.

3. RESOLUTION 2026-71 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA ACCEPTING THE EXTERNAL AUDITOR'S REPORT ON THE AUDIT OF THE CITY OF PAHOKEE'S FINANCIAL STATEMENTS AND SINGLE AUDIT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025, AS SET FORTH IN COMPOSITE EXHIBIT "A" ATTACHED HERETO; PROVIDING FOR ADOPTION OF REPRESENTATIONS; PROVIDING FOR AN EFFECTIVE DATE.

4. RESOLUTION 2026-72 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AUTHORIZING THE ISSUANCE AND COMPETITIVE ADVERTISEMENT OF REQUEST FOR PROPOSALS (RFP) NO. 2026-02 FOR COMPREHENSIVE FORENSIC AUDIT SERVICES; APPROVING THE RFP DOCUMENT AND SOLICITATION SCOPE; AUTHORIZING THE CITY MANAGER TO EXECUTE PROCUREMENT PROCEDURES AND CONVENE AN EVALUATION COMMITTEE; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

5. RESOLUTION 2026-73 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, ACCEPTING QUALIFICATIONS FOR CONTINUING PROFESSIONAL ARCHITECTURAL AND ENGINEERING CONSULTING SERVICES PURSUANT TO RFQ NO. 2026-01; FURTHER AUTHORIZING THE CITY MANAGER TO ENTER INTO MULTIPLE AGREEMENTS FOR ARCHITECTURAL AND ENGINEERING CONSULTING SERVICES AS PROVIDED IN EXHIBIT "A" HERETO; AUTHORIZING QUALIFIED CONSULTANTS FOR FUTURE PROJECTS ON AN AS NEEDED BASIS FOR AN INITIAL TERM OF THREE (3) YEARS, WITH A ONE-YEAR RENEWAL OPTION; PROVIDING FOR INCORPORATION OF RECITALS; PROVIDING FOR AN EFFECTIVE DATE.

J. NEW BUSINESS *(presentation by city manager of activity or upcoming event, if any)*

1. Palm Beach County Sheriff's Office (PBSO) Report
2. Palm Beach County Fire Rescue (PBCFR) Report

3. Discussion and Direction: Cemetery - Tree Farm Tenant
4. Angela Reyes, LLC Deliverables
5. Forensic Audit Cost

K. REPORT OF THE MAYOR

L. REPORT OF THE CITY MANAGER

M. REPORT OF THE CITY ATTORNEY

N. REPORT OF THE CITY CLERK

O. FUTURE AGENDA ITEMS OF COMMISSIONERS, IF ANY

P. GENERAL PUBLIC COMMENTS *(items not on the agenda)*

Q. COMMISSIONER COMMENTS AND FOR THE GOOD OF THE ORDER (*community events, feel good announcements, if any)*

R. ADJOURN

Any citizen of the audience wishing to appear before the City Commission to speak with reference to any agenda or non-agenda item must complete the "Request for Appearance and Comment" form and present completed form to the City Clerk prior to commencement of the meeting.

Should any person seek to appeal any decision made by the City Commission with respect to any matter considered at this meeting, such person will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. (Reference: Florida Statutes 286.0105)

In accordance with the provisions of the Americans with Disabilities Act (ADA), this document can be made available in an alternate format upon request. Special accommodations can be provided upon request with three (3) days advance notice of any meeting, by contacting the Office of the City Clerk at 561-924-5534. If hearing impaired, contact Florida Relay at 800-955-8771 (TDD) or 800-955-8770 (Voice), for assistance. (Reference: Florida Statutes 286.26)

PROCLAMATION

WHEREAS, Nohemi Polanco demonstrated perseverance in building a successful professional career, raising her three children, and establishing her home in Pahokee in 1989 before joining the City of Pahokee on August 27, 2007, beginning nineteen years of dedicated public service; and

WHEREAS, throughout her tenure, Mrs. Polanco served as Accountant, Interim City Clerk, and Manager of the Building, Planning and Zoning/Code Enforcement Department, contributing her expertise to financial administration, budgeting, payroll, grants, business tax administration, planning, zoning, code enforcement, and community development while supporting essential municipal operations; and

WHEREAS, Mrs. Polanco strengthened organizational procedures and accountability while generously training, mentoring, and guiding City employees, sharing her extensive municipal knowledge and providing continuity during staffing transitions; and

WHEREAS, committed to professional excellence, she pursued numerous trainings and certifications and participated in professional associations, including the Florida Government Finance Officers Association, Florida Association of Code Enforcement, Florida Association of Business Tax Officials, and American Planning Association. Her service was recognized with the Pahokee Chamber of Commerce's City Employee of the Year Award in April 2009 and a Certificate of Appreciation in October 2013; and

WHEREAS, Ms. Polanco's commitment extends beyond City Hall through her leadership at Pahokee First Hispanic Church of the Nazarene, volunteer service in local schools, and participation in community and charitable initiatives. As she prepares to retire on October 30, 2026, she leaves a lasting legacy of professionalism, perseverance, mentorship, and service to the community she proudly calls home.

NOW, THEREFORE, I, Keith W. Babb, Jr., Mayor of the City of Pahokee, Florida, on behalf of the City Commission and our citizens, do hereby recognize and honor **Mrs. Nohemi Polanco** for her nineteen years of exemplary service, express our sincere gratitude for her invaluable contributions and dedication to training and mentoring City employees, and extend heartfelt congratulations and best wishes for a fulfilling and joyful retirement.

In official recognition whereof, I hereunto set my hand and caused the seal of Pahokee to be affixed this 27th day of October 2026.

CITY OF PAHOKEE SEAL INCORPORATED 1922 FLORIDA

Keith W. Babb, Jr.
Mayor Keith W. Babb, Jr.

Isabelle J. McDonald
Vice Mayor Isabelle J. McDonald

Sanquetta Cowan-Williams
Commissioner Sanquetta Cowan-Williams

Everett D. McPherson, Sr.
Commissioner Everett D. McPherson, Sr

James H. Scott
Commissioner James H. Scott

CITY OF PAHOKEE

MINUTES

City Commission Regular Meeting
Tuesday, October 13, 2026, at 6:00 PM

Pahokee Commission Chambers
360 East Main Street
Pahokee, Florida 33476

CITY COMMISSION:

Mayor Keith W. Babb, Jr.
Vice Mayor Isabelle J. McDonald
Commissioner Sanquetta Cowan-Williams
Commissioner Everett D. McPherson, Sr.
Commissioner James H. Scott

CHARTER OFFICERS:

Brenda L. Bryant, City Manager
Nylene Clarke, City Clerk
Burnadette Norris-Weeks, P.A., City Attorney

AGENDA

A. CALL TO ORDER

Mayor Babb called the meeting to order at 6:02 PM.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Commissioner McPherson led the Invocation, followed by the Pledge of Allegiance.

C. ROLL CALL

PRESENT
Mayor Keith W. Babb, Jr.
Vice Mayor Isabelle J. McDonald
Commissioner Sanquetta Cowan-Williams at 6:06 PM
Commissioner Everett D. McPherson, Sr.
Commissioner James H. Scott
Brenda L. Bryant, City Manager
Chan Bryant-Abney, Acting City Attorney
Nylene Clarke, City Clerk

D. ADDITIONS OF EMERGENCY BASIS FROM CITY MANAGER, DELETIONS AND APPROVAL OF AGENDA ITEMS

Motion made by Vice Mayor McDonald to accept the agenda as printed. Duly seconded by Commissioner McPherson and passed unanimously.
Voting Yea: Mayor Babb, Vice Mayor McDonald, Commissioner McPherson, Commissioner Scott

E. PRESENTATIONS / PROCLAMATIONS / PUBLIC SERVICE ANNOUNCEMENTS / PUBLIC COMMENTS *(agenda items only)*

1. Presentation - Volleyball Check: Pahokee Middle-Senior High School
2. Proclamation - Recognizing Alvin Johnson's Retirement and Thirty-Eight Years of Service
3. Proclamation - Recognizing October 19-25, 2026 as Florida City Week

F. CONSENT AGENDA

1. September 22, 2026 City Commission Meeting Minutes

   Motion made by Vice Mayor McDonald to accept the Consent Agenda. Duly seconded by Commissioner McPherson and passed unanimously.
   Voting Yea: Mayor Babb, Vice Mayor McDonald, Commissioner Cowan-Williams, Commissioner McPherson, Commissioner Scott

G. OLD BUSINESS (*discussion of existing activities or previously held events, if any)*

H. PUBLIC HEARINGS AND/OR ORDINANCES

I. RESOLUTION(S)

1. RESOLUTION 2026-65 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, APPROVING AN AMENDMENT TO THE NEIGHBORHOOD ENGAGEMENT AND TRANSFORMATION (NEAT) GRANT AGREEMENT WITH PALM BEACH COUNTY; AUTHORIZING THE MAYOR TO EXECUTE THE REVISED AGREEMENT AND RELATED DOCUMENTS; PROVIDING FOR ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

The title of the resolution was read into the record by the Acting City Attorney and explained by the City Manager.

Motion made by Commissioner McPherson to accept Resolution 2026-65. Duly seconded by Commissioner Cowan-Williams and passed unanimously.
Voting Yea: Mayor Babb, Vice Mayor McDonald, Commissioner Cowan-Williams, Commissioner McPherson, Commissioner Scott

2. RESOLUTION 2026-66 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, APPOINTING A MEMBER TO THE SPECIAL EVENTS ADVISORY BOARD TO FILL THE UNEXPIRED TERM OF THE LATE ALPHONSO SMITH, JR.; PROVIDING FOR THE TERM OF APPOINTMENT; PROVIDING FOR ADOPTION OF REPRESENTATIONS; PROVIDING FOR AN EFFECTIVE DATE.

   The title of the resolution was read into the record by the Acting City Attorney and explained by the City Manager.

   Motion made by Commissioner McPherson to accept Resolution 2026-66 with the appointment of Tarchur Tomlin. Duly seconded by Commissioner Scott and passed unanimously.
   Voting Yea: Mayor Babb, Vice Mayor McDonald, Commissioner Cowan-Williams, Commissioner McPherson, Commissioner Scott

3. RESOLUTION 2026-67 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN ON-THE-JOB TRAINING (OJT) AGREEMENT BETWEEN CAREERSOURCE PALM BEACH COUNTY, INC. AND THE CITY OF PAHOKEE, AS SET FORTH HERETO IN EXHIBIT "A"; PROVIDING FOR ADOPTION OF REPRESENTATIONS; PROVIDING FOR CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

   The title of the resolution was read into the record by the Acting City Attorney and explained by the City Manager.

   Motion made by Commissioner McPherson to accept Resolution 2026-67. Duly seconded by Commissioner Scott and passed (4-1).
   Voting Yea: Mayor Babb, Commissioner Cowan-Williams, Commissioner McPherson, Commissioner Scott
   Voting Nay: Vice Mayor McDonald

4. RESOLUTION 2026-68 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, APPROVING AND ACCEPTING AN AMENDMENT TO THE COMMUNITY DEVELOPMENT BLOCK GRANT AGREEMENT FOR FISCAL YEAR 2026/2027; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT REMOVING LANGUAGE THAT IS NOT APPLICABLE; PROVIDING FOR ADOPTION OF REPRESENTATIONS; PROVIDING FOR CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

   The title of the resolution was read into the record by the City Attorney and explained by the City Manager.

   Motion made by Commissioner Cowan-Williams to accept Resolution 2026-68. Duly seconded by Commissioner McPherson and passed unanimously.
   Voting Yea: Mayor Babb, Vice Mayor McDonald, Commissioner Cowan-Williams, Commissioner McPherson, Commissioner Scott

J. NEW BUSINESS *(presentation by city manager of activity or upcoming event, if any)*

1. Palm Beach County Sheriff's Office (PBSO) Report
2. Palm Beach County Fire Rescue (PBCFR) Report

K. REPORT OF THE MAYOR

L. REPORT OF THE CITY MANAGER

M. REPORT OF THE CITY ATTORNEY

N. REPORT OF THE CITY CLERK

O. FUTURE AGENDA ITEMS OF COMMISSIONERS, IF ANY

Motion made by Commissioner McPherson to place on the next agenda a discussion to determine what direction the City wishes to take regarding the lobbyists. Duly seconded by Commissioner Cowan-Williams and passed unanimously.
Voting Yea: Mayor Babb, Vice Mayor McDonald, Commissioner Cowan-Williams, Commissioner McPherson, Commissioner Scott

Motion made by Commissioner Cowan-Williams, for the next agenda, that the Commission decide what action to take regarding the tenant currently at the cemetery tree farm, or whoever the contract was with. Duly seconded by Commissioner McPherson and passed unanimously.
Voting Yea: Mayor Babb, Vice Mayor McDonald, Commissioner Cowan-Williams, Commissioner McPherson, Commissioner Scott

Motion made by Commissioner Scott to receive a copy of Angela Reyes' report at the next meeting. Discussion ensued, and Commissioner Scott rescinded his motion.

P. GENERAL PUBLIC COMMENTS *(items not on the agenda)*

Q. COMMISSIONER COMMENTS AND FOR THE GOOD OF THE ORDER (*community events, feel good announcements, if any)*

R. ADJOURN

Motion made by Vice Mayor McDonald to adjourn the meeting. Duly seconded by Commissioner Cowan-Williams and passed unanimously.
Voting Yea: Mayor Babb, Vice Mayor McDonald, Commissioner Cowan-Williams, Commissioner McPherson, Commissioner Scott

There being no further business to discuss, Mayor Babb adjourned the meeting at 7:34 PM.

_____

Mayor Keith W. Babb, Jr.

_____

ATTEST: Nylene Clarke, CMC, City Clerk

CITY OF PAHOKEE

MINUTES

City Commission Workshop
Tuesday, October 20, 2026, at 6:00 PM

Pahokee Commission Chambers
360 East Main Street
Pahokee, Florida 33476

CITY COMMISSION:
Mayor Keith W. Babb, Jr.
Vice Mayor Sanquetta Cowan-Williams
Commissioner Isabelle J. McDonald
Commissioner Everett D. McPherson, Sr.
Commissioner James H. Scott

CHARTER OFFICERS:
Brenda L. Bryant, City Manager
Nylene Clarke, City Clerk
Burnadette Norris-Weeks, P.A., City Attorney

AGENDA

A. INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Babb called the workshop to order at 6:00 PM.

Vice Mayor McDonald led the Invocation, followed by the Pledge of Allegiance.

B. ROLL CALL

PRESENT
Mayor Keith W. Babb, Jr.
Vice Mayor Isabelle J. McDonald
Commissioner Sanquetta Cowan-Williams
Commissioner Everett D. McPherson, Sr.
Commissioner James H. Scott
Brenda L. Bryant, City Manager
Burnadette Norris-Weeks, City Attorney (via phone)
Nylene Clarke, City Clerk

C. TOPIC

1. DISCUSSION AND DIRECTION FOR MARINA RESTAURANT

   The City Manager provided an overview of the item, and discussion ensued regarding the marina restaurant and the next steps.

D. PUBLIC COMMENTS

E. ADJOURN

There being no further business to discuss, Mayor Babb adjourned the workshop at 7:17 PM.

_____

Mayor Keith W. Babb, Jr.

_____

ATTEST: Nylene Clarke, CMC, City Clerk

STAFF REPORT

TO: City of Pahokee City Commission

VIA: Brenda B. Bryant, City Manager

FROM: Building Planning & Zoning Department in Consultation w/Treasure Coast Regional Planning Council – Thomas Lanahan

SUBJECT: Voluntary Annexation Application from Pahokee Investments, Inc.

DATE: October 27, 2026

GENERAL SUMMARY/BACKGROUND:
The City of Pahokee has received a Voluntary Annexation Application requesting to annex approximately 19.92 acres, more or less, of unincorporated and undeveloped real property located at NE 28th St (PCN 00-37-42-09-01-0000-0053).

ANALYSIS:
The subject property is owned by Pahokee Investments, Inc. and is located South of Stuckey Road, and East of Bay Bottom Road, in Section 9, Township 42, South, Range 37 East in the northeastern part of Pahokee. A review of the proposed annexation finds that it complies with relevant objectives and policies of the Comprehensive Plan as detailed in the attached Comprehensive Plan Analysis. In addition, the area proposed for annexation is reasonably compact, contiguous to the city's existing boundary, and is not within the County's Unincorporated Protection Area.

LEGAL NOTE:
Public Notice advertised in the Palm Beach Post on October 23, 2026, and October 30, 2026.

STAFF RECOMMENDATION:
Staff recommends the approval of the proposed Voluntary Annexation Application of said property into the City of Pahokee boundary through adoption of Ordinance 2026-04.

ATTACHMENTS:
Comprehensive Plan Analysis (attached to this report)
Annexation Ordinance
Annexation Application Package
PBC Letter
Legal Notice

Comprehensive Plan Analysis for Proposed Annexation
PCN: 00-37-42-09-01-000-0053
October 13, 2026

There are three primary areas of Objectives and Policies within the Future Land Use Element of the City of Pahokee's Comprehensive Plan that deal with annexations. The following analysis considers how the proposed voluntary annexation addresses them, with the analysis in *italics*:

1. Objective 1.1.4, Policy 1.1.4.4 requires that prior to annexation, the City shall prepare and adopt a facilities extension plan for proposed annexation areas which shall:
    a. Establish the location, level of service standards, and phasing for each facility and service to be extended by the City; *The subject site will be required to meet each of the City's relevant level of service standards as part of site plan and building permit approvals associated with any proposed development.*
    b. Require all development or redevelopment to be timed, staged, and located in conjunction with the provision of the community facilities and services listed per the system for the management of concurrency without exceeding their established level of service standards; *Any development of the subject site will be required to meet each of the City's relevant level of service standards as part of site plan and building permit approvals, including appropriate phasing or timing of development concurrent with availability of services and extension or expansion of those services.*
    c. Reserve the right of the City, in order to encourage infill development and reduce urban sprawl, to discourage development and redevelopment activities within proposed future annexation areas until such time as facilities and services are extended in accordance with the plan regardless if facilities and services are offered by a developer in advance of the plan phasing. *The City's rights under this Policy are not abrogated by approving the proposed voluntary annexation and it will be up to the City to determine the timing, manner, and funding of service extensions to the property.*
2. Objective 1.1.6 states that Pahokee's economic base shall be expanded through planning and development activities which encourage the expansion of existing businesses and the attraction of new business in appropriate areas as depicted on the Future Land Use Map and the annexation of new areas for future residential, commercial and industrial development. *The proposed annexation of land anticipated to eventually request an Industrial future land use and zoning designation in an area appropriate for such activity given the adjacent designations within the current City boundary.*
3. Objective 1.1.13 provides that the City will annex appropriate adjacent unincorporated areas into the City provided the residents or landowners of such areas generally favor incorporation into Pahokee, the areas can be better served by the City, and the net costs of annexation will not burden existing residents. *The proposed annexation is a voluntary request by the property owner, the area is far from any services provided by Palm Beach County but adjacent to the City of Pahokee and thus can be better served, and the net cost is anticipated to be of positive financial benefit to the City.*
    a. Policy 1.1.13.1 states that annexation proposals will be evaluated to determine their immediate and long-term costs to existing and future residents as compared

to the revenues expected to be generated from property taxes and other sources. *Upon annexation and based on the current taxable value of $298,730 and Pahokee tax rate of 6.5419, the subject site will pay the City of Pahokee $1,954.26 in taxes each year. This amount will increase if the value of the property increases, such as with development of the property. In addition, the City will also receive permit revenue from any development of the site. Given the typically low demand for services associated with industrial development, annexation of the land will be a net positive financially in the near term and the long term.*

b. Policy 1.1.13.2 states that annexation proposals shall comply with Policy 1.1.4.4 concerning extension of services to the area to be annexed. *See analysis above.*

c. Policy 1.1.13.3 states that annexation of proposed areas should be considered and planned in light of how they complement and enhance the goals of the City as expressed in the City's Comprehensive Plan. *When evaluating a proposal in comparison to the Comprehensive Plan, it is important to consider compatibility, concurrency, and consistency. Adjacent property to the west currently has an Industrial future land use designation and an Industrial High zoning designation. It is anticipated that the owner of the subject site will be requesting identical designations for his property after annexation. This will be compatible with the adjacent area. Concurrency in the provision of services is discussed above in this analysis. Regarding consistency with the comprehensive plan, the City has an objective to expand the economic base through annexation (Objective 1.1.6 of the Future Land Use Element) and this proposal is consistent with that objective and will also facilitate future annexation of adjacent parcels. The creation of new workplace opportunities through industrial development is also supportive of the City's goals for a stable, economically viable, resident supportive municipality. The creation of new places for jobs in Pahokee will help minimize the need for extensive travel to find work and keep more spending local to the City's economy.*

ORDINANCE 2026-04

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, PURSUANT TO FLORIDA STATUTES CHAPTER 171.044, PROVIDING FOR THE VOLUNTARY ANNEXATION OF A PARCEL OF UNDEVELOPED LAND CONTAINING APPROXIMATELY 19.92 ACRES, LOCATED SOUTHEAST OF STUCKEY ROAD AND EAST OF BAY BOTTOM ROAD, IN SECTION 9, TOWNSHIP 42 SOUTH, RANGE 37 EAST; UPON THE PETITION AND WRITTEN CONSENT OF THE OWNER PAHOKEE INVESTMENTS, INC.; FINDING THAT THE PROPERTY IS CONTIGUOUS AND REASONABLY COMPACT TO THE MUNICIPAL BOUNDARIES OF THE CITY AND OTHERWISE ELIGIBLE FOR ANNEXATION; ACKNOWLEDGING THAT AN APPLICATION FOR VOLUNTARY ANNEXATION, A MAP OF THE PROPOSED ANNEXATION AREA, AND A COUNTY ANNEXATION INFORMATION SHEET HAVE BEEN SUBMITTED TO PALM BEACH COUNTY; EXTENDING AND REDEFINING THE CORPORATE LIMITS OF THE CITY TO INCLUDE THE SUBJECT PROPERTY; PROVIDING FOR INTERIM FUTURE LAND USE AND ZONING DESIGNATIONS; PROVIDING FOR REVISION OF THE CITY CHARTER BOUNDARY DESCRIPTION PURSUANT TO SECTION 166.031, FLORIDA STATUTES TO INCORPORATE THE SUBJECT PROPERTY; DIRECTING THE CITY CLERK TO FILE CERTIFIED COPIES OF THIS ORDINANCE WITH ALL APPROPRIATE GOVERNMENTAL AGENCIES; PROVIDING FOR SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

WHEREAS, Pahokee Investments, Inc. is the owner of certain real property in the unincorporated area of Palm Beach County located on NE 28th Street, southeast of Stuckey Road and East of Bay Bottom Road which property is currently vacant; and more particularly described in Exhibit "A"; and

WHEREAS, Pahokee Investments, Inc. has petitioned the City of Pahokee for voluntary annexation of said property into the City of Pahokee; and

WHEREAS, the property meets the statutory criteria as set forth in Florida Statutes, Chapter 171, more specifically, Section 171.044, as being contiguous to the municipal boundaries and the area to be annexed is reasonably compact; and

WHEREAS, the City Commission finds that the petition bears the signatures of all present owners of the property to be annexed, and that the person who signed the petition has the authority on behalf of the owner to sign the petition;

WHEREAS, Palm Beach County has advised that this property is not located in an Unincorporated Protection Area; and

WHEREAS, the City Commission has determined that it is in the best interests of the City to annex said property into the City of Pahokee; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PAHOKEE, THAT:

Section 1. The City Commission of the City of Pahokee finds that the petition for voluntary annexation bears the signature of the property owner of the unincorporated parcel of real property, as legally described in the attached Exhibit "A" and is hereby voluntarily annexed into the City of Pahokee, Florida in accordance with Chapter 171, Florida Statutes.

Section 2. The boundary lines of Pahokee, Florida, are hereby redefined to include the real property consisting of approximately 19.92 acres located southeast of Stuckey Road and East of Bay Bottom Road legally described by metes and bounds and mapped as shown in Exhibit "A". Said property is hereby annexed by and declared to be within the corporate limits of the City of Pahokee, Florida.

Section 3. In accordance with Section 171.062(s), Florida Statutes, the annexed property shall retain its existing Palm Beach County Residential High-8 Future Land Use designation and Agricultural Production Zoning designation; until such time as City of Pahokee designations are provided.

Section 4. The above-described real property shall immediately become subject to all of the Franchises, privileges, immunities, debts, obligations, liabilities, ordinances, and laws to which such lands in the City of Pahokee are now or may be subjected to and persons thereon shall be deemed citizens of the citizens of the City of Pahokee.

Section 6. Pursuant to section 166.031, Florida Statutes, the adoption of this Ordinance shall act as an amendment to the charter of the City of Pahokee, Florida, only to the extent that the corporate boundaries of the City of Pahokee shall be expanded to now include and encompass the land area described in Section 1, above.

Section 7. Within seven days after adoption, a certified copy of the Ordinance and map shall be forwarded and filed with the Clerk of the Circuit Court for Palm Beach County, the Chair of the Board of County Commissioners for Palm Beach County, the Property Appraiser of Palm Beach County, and the Secretary of State for the State of Florida, pursuant to section 171.044(3), Florida Statutes.

Section 8. The City Manager is hereby directed to do all things necessary to effectuate this annexation.

Section 9. The provisions of this ordinance are declared to be severable and if any section, sentence, clause or phrase shall for any reason be held to be invalid or unconstitutional, this decision shall not affect the validity of the remising section, sentences, clause or phrases of this ordinance, which shall remain in effect. Any ordinance in conflict with this ordinance is hereby repealed. This Ordinance should become effective immediately upon its passage on second reading or as provided by law.

PASSED ON FIRST READING this 27th day of October 2026.

PASSED AND ADOPTED this _____ day of _____ 2026.

_____
Keith W. Babb, Jr., Mayor

ATTEST:

_____
Nylene Clarke, CMC, City Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

_____
Burnadette Norris-Weeks, P.A.
City Attorney

Moved by: _____

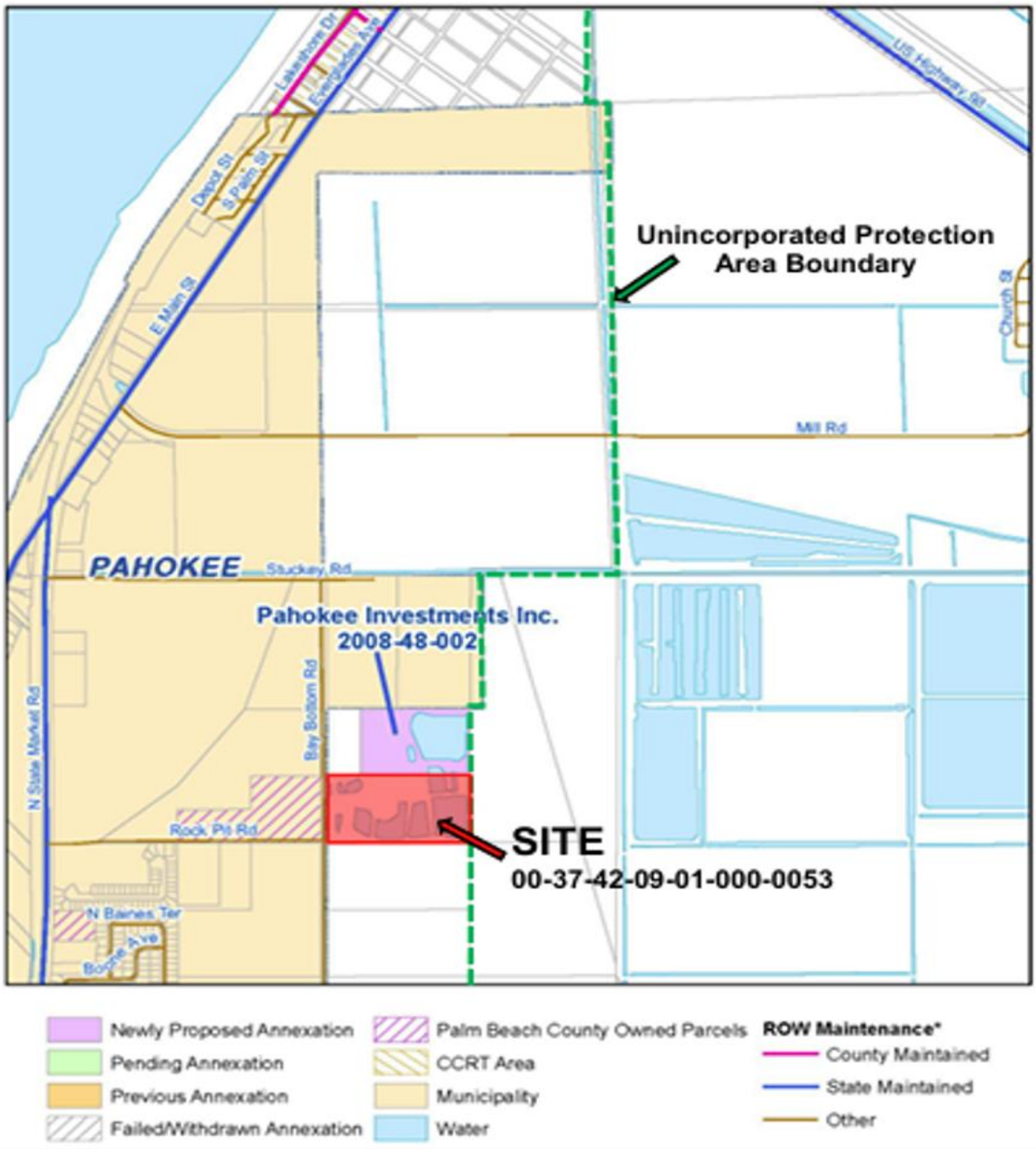
Seconded by: _____

VOTE:	**First Reading**	**Second Reading**
Mayor Babb	____	____
Vice Mayor McDonald	____	____
Commissioner Cowan-Williams	____	____
Commissioner McPherson	____	____
Commissioner Scott	____	____

EXHIBIT "A"

PCN 00-37-42-09-01-000-0053
LEGAL DESCRIPTION (METES & BOUNDS)

The South Half (S 1/2) of the Southwest Quarter (SW 1/4) of the Northeast Quarter (NE ¼) of Section 9, Township 42 South, Range 37 East, being the South Half of Lot 5 of Trustees International Improvement Fund Subdivision in Sections 9-10-15-16 & 17, Township 42 South, Range 37 East, a copy of which Plat accompanies deed recorded in Deed Book 821, at page 369, Palm Beach County Public Records.



APPLICATION FOR VOLUNTARY ANNEXATION

Property Owner(s) / Agent*: PAHOKEE INVESTMENTS, INC
* If corporation or other business entity, the name of the officer or person who has delegated authority to represent.

Address (Property Location): NE 28TH ST, PAHOKEE, FL 33476

Address (Correspondence)*: 691 E MAIN ST
* Which all agendas, letters, and other materials will be mailed
PAHOKEE, FL 33476

Additional Copy to: PBC BUILDING, PLANNING & ZONING

Existing Use: 9900 – NON AG Zoning (if known): AP-AGRICULTURAL PROD

Property Tax # (parcel control number): 00-37-42-09-01-000-0053

Legal Description (may attach separate sheet): TIIF SUB OF PELICAN LAKE BOTTOMS S 1/2 OF LOT 5

OWNER'S AUTHORIZATION

Under provisions for voluntary annexation, Florida Statutes 171.044, requires that the petition for annexation must bear the signature of owner/owners. The authority authorizing a person other than the owner to sign the petition must be attached and accompany this petition. (refer to attached affidavit)

Owner: Emilio Perez (Printed) _____ (Signature)

Owner: _____ (Printed) _____ (Signature)

Applicant : Emilio Perez (Printed) _____ (Signature)

691 E Main St
Street Address
Pahokee, FL 33476
City, State, Zip Code
(561) 924-9250
Telephone #
( )
Fax #

Street Address
City, State, Zip Code
( )
Telephone #
( )
Fax #

Planning, Zoning & Building Department

2300 North Jog Road
West Palm Beach, FL 33411-2741
(561) 233-5000

Planning Division 233-5300
Zoning Division 233-5200
Building Division 233-5100
Code Compliance 233-5500
Contractor Regulations 233-5525
Administration Office 233-5005
Finance 233-5026
Executive Office 233-5228
www.pbc.gov/pzb

Palm Beach County Board of County Commissioners

Sara Baxter, Mayor

Marci Woodward, Vice Mayor

Maria G. Marino

Gregg K. Weiss

Joel G. Flores

Maria Sachs

Bobby Powell Jr.

County Administrator

Joseph Abruzzo

October 13, 2026

Nohemi Polanco
Building, Planning, & Zoning Manager
City of Pahokee
207 Begonia Drive
Pahokee, FL 33476

RE: Proposed Annexation Paholee Investments Inc. NE 28th Street, 2026-48-001

Dear Ms. Polanco,

Thank you for providing the County advance notice and the opportunity to review the proposed annexation summarized below.

Name/Annex ID	Description
Pahokee Investments Inc. NE 28th Street 2026-48-001	**Acres:** 19.92 **Location:** Northeast corner of Rock Pit Rd & Bay Bottom Rd **1st Reading:** Not Determined **2nd Reading:** Not Determined

The proposed annexation was processed through the County's Annexation Review Process. County staff and service delivery agencies reviewed the proposed annexation. After the departmental review, County staff has not identified any inconsistencies with Chapter 171, Florida Statutes.

The County remains committed to our efforts to work cooperatively with municipalities toward annexation. If you have any questions or comments, please contact me at 561-233-5332 or Khurshid Mohyuddin, Principal Planner, at 561-233-5351.

Sincerely,

Jeffrey W. Gagnon, AICP
Interim Planning Director

cc: The Honorable Sara Baxter, Mayor, District 6 Commissioner
Patrick W. Rutter, Chief Deputy County Administrator
Whitney Carroll, Esq., AICP, Executive Director, PZ&B
Cindy Hoskin, JD, Deputy Director, PZ&B
Darren Leiser, Esq., Assistant County Attorney
Khurshid Mohyuddin, AICP, Principal Planner, PBC

"An Equal Opportunity Employer"

t:\planning\intergovernmental\annexations\2026 fiscal year\letters\pah - pahokee investments inc ne 28th street.docx

printed on sustainable and recycled paper

NOTICE OF PUBLIC HEARING FOR VOLUNTARY ANNEXATION CITY OF PAHOKEE, FLORIDA

The City Commission of the City of Pahokee, Palm Beach County, Florida, has received a voluntary annexation application, and therefore proposes considering the following ordinance in accordance with Section 171.044, Florida Statutes:

ORDINANCE 2026-04

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, PURSUANT TO FLORIDA STATUTES CHAPTER 171.044, PROVIDING FOR THE VOLUNTARY ANNEXATION OF A PARCEL OF UNDEVELOPED LAND CONTAINING APPROXIMATELY 19.92 ACRES, LOCATED SOUTHEAST OF STUCKEY ROAD AND EAST OF BAY BOTTOM ROAD, IN SECTION 9, TOWNSHIP 42 SOUTH, RANGE 37 EAST; UPON THE PETITION AND WRITTEN CONSENT OF THE OWNER PAHOKEE INVESTMENTS, INC.; FINDING THAT THE PROPERTY IS CONTIGUOUS AND REASONABLY COMPACT TO THE MUNICIPAL BOUNDARIES OF THE CITY AND OTHERWISE ELIGIBLE FOR ANNEXATION; ACKNOWLEDGING THAT AN APPLICATION FOR VOLUNTARY ANNEXATION, A MAP OF THE PROPOSED ANNEXATION AREA, AND A COUNTY ANNEXATION INFORMATION SHEET HAVE BEEN SUBMITTED TO PALM BEACH COUNTY; EXTENDING AND REDEFINING THE CORPORATE LIMITS OF THE CITY TO INCLUDE THE SUBJECT PROPERTY; PROVIDING FOR INTERIM FUTURE LAND USE AND ZONING DESIGNATIONS; PROVIDING FOR REVISION OF THE CITY CHARTER BOUNDARY DESCRIPTION PURSUANT TO SECTION 166.031, FLORIDA STATUTES TO INCORPORATE THE SUBJECT PROPERTY; DIRECTING THE CITY CLERK TO FILE CERTIFIED COPIES OF THIS ORDINANCE WITH ALL APPROPRIATE GOVERNMENTAL AGENCIES; PROVIDING FOR SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

The Ordinance will be considered for Public Hearing and Final Reading during the regular meeting of the Pahokee City Commission to be held at the Commission Chambers, 360 E Main St., Pahokee, Palm Beach County, Florida, at 6:00 pm on November 10, 2026.

SHOULD ANY INTERESTED PARTY SEEK TO APPEAL ANY DECISION MADE WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETINGS OR HEARINGS, SUCH PERSON WILL NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. (REFERENCE: FLORIDA STATUTES 286.0105)
IN ACCORDANCE WITH THE AMERICAN WITH DISABILITIES ACT OF 1990, PERSONS NEEDING SPECIAL ACCOMMODATIONS TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE CITY CLERK AT (561) 924-5534 AT LEAST 72 HOURS PRIOR TO THE PROCEEDING. IF HEARING IMPAIRED, CONTACT FLORIDA RELAY AT 800-955-8771 (TDD) OR 800-955-8770 (VOICE), FOR ASSISTANCE. (REFERENCE: FLORIDA STATUTES 286.26)

PUBLISH: THE PALM BEACH POST (October 23, 2026 & October 30, 2026)

AGENDA

MEMORANDUM

TO: Honorable Mayor & City Commissioners

FROM: Office of the City Clerk

SUBJECT: Amending Section 8-9 of the Code of Ordinances

DATE: October 27, 2026

GENERAL SUMMARY/BACKGROUND:
Section 8-9 of the City's Code of Ordinances currently provides that, until otherwise directed by the City Commission, there shall be one (1) voting place for all City elections, located at the cafeteria building at the Recreation Complex, 360-C East Main Street, Pahokee, Florida.

The cafeteria building does not meet the Palm Beach County Supervisor of Elections' (SOE) Americans with Disabilities Act (ADA) requirements for use as a polling place. The Eddie Lee Rhodes Gymnasium, located at 360 East Main Street, Pahokee, Florida, has been cleared by the Palm Beach County SOE for use as a polling location. An amendment to Section 8-9 is therefore proposed to update the voting-place designation in the City's Code of Ordinances.

BUDGET IMPACT:
There is no anticipated fiscal impact associated with this item.

LEGAL NOTE:
This item has been reviewed for legal sufficiency. Any additional legal guidance will be deferred to the City Attorney as necessary.

STAFF RECOMMENDATION:
Staff recommends approval of the item.

ATTACHMENTS:
Ordinance 2026-05

ORDINANCE NO. 2026-05

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AMENDING SECTION 8-9, "VOTING PLACES," OF CHAPTER 8, ELECTIONS, OF THE CODE OF ORDINANCES TO DESIGNATE THE EDDIE LEE RHODES GYMNASIUM, LOCATED AT 360 EAST MAIN STREET, PAHOKEE, FLORIDA, AS THE CITY'S VOTING PLACE FOR MUNICIPAL ELECTIONS; PROVIDING FOR CONFLICT AND REPEALER; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN CODE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Pahokee, Florida (the "City"), has established Section 8-9, "Voting Places," of Chapter 8, Elections, of its Code of Ordinances; and

WHEREAS, Section 8-9 currently designates the City's cafeteria building at the Recreation Complex, located at 360-C East Main Street, Pahokee, Florida, as the City's voting place for municipal elections; and

WHEREAS, the cafeteria building does not meet the Palm Beach County Supervisor of Elections' Americans with Disabilities Act (ADA) requirements for use as a polling place; and

WHEREAS, the ADA is a federal law, and the City is required to comply with accessibility requirements of federal law; and

WHEREAS, the Eddie Lee Rhodes Gymnasium, located at 360 East Main Street, Pahokee, Florida, has been cleared by the Palm Beach County Supervisor of Elections for use as a polling location; and

WHEREAS, the City Commission finds that amending Section 8-9 to reflect the approved polling location and maintain the City's Code of Ordinances consistent with federal and state law is in the best interests of the City.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AS FOLLOWS:

Section 1. Adoption of Representations.

The foregoing "Whereas" clauses are hereby ratified and confirmed as being true and the same are hereby made a specific part of this Ordinance.

Section 2. Amending Section 8-9 of the City of Pahokee's Code of Ordinances entitled "Voting Places", shall be replaced and shall read as follows:

Sec. 8-9. - Voting place.

Until otherwise directed by the City Commission, there shall be one (1) voting place in all City elections, and that voting place shall be at the ~~cafeteria building at the recreation complex located at 360-C East Main Street, Pahokee, Florida~~ Eddie Lee Rhodes Gymnasium located at 360 East Main Street, Pahokee, Florida.

Section 3. Conflict & Repealer.

All ordinances, parts of ordinances or code provisions in conflict herewith ordinance are hereby repealed.

Section 4. Severability.

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

Section 5. Inclusion in Code.

It is the intention of the City Commission of the City of Pahokee that the provisions of this Ordinance shall at some time in the future become and be made a part of the Code of Ordinances of the City of Pahokee and that the sections of this Ordinance may be renumbered or re-lettered and the word "Ordinance" may be changed to "Chapter," "Section," "Article" or such other appropriate word or phrase, the use of which shall

accomplish the intentions herein expressed; provided, however, that Section 1 hereof or the provisions contemplated thereby shall not be codified.

Section 9. Effective Date.

This Ordinance shall become effective immediately upon final passage and adoption.

PASSED FIRST READING this 27th day of October 2026.

PASSED SECOND READING this ____ day of _____ 2026.

_____
Keith W. Babb, Jr., Mayor

ATTESTED:

_____
Nylene Clarke, CMC, City Clerk

APPROVED AS TO LEGAL SUFFICIENCY:

_____
Burnadette Norris-Weeks, P. A.
City Attorney

Vote:

Mayor Babb	_____(Yes)	____(No)
Vice-Mayor McDonald	_____(Yes)	____(No)
Commissioner Cowan-Williams	_____(Yes)	____(No)
Commissioner McPherson	_____(Yes)	____(No)
Commissioner Scott	_____(Yes)	____(No)

AGENDA

MEMORANDUM

TO: Honorable Mayor & City Commissioners

FROM: Office of the City Clerk

SUBJECT: Parks and Recreation Advisory Board (PRAB) - Reappointment and Appointment of Members

DATE: October 13, 2026 Meeting; Revised for October 27, 2026 Meeting

---

GENERAL SUMMARY/BACKGROUND:
Section 2-162 of the City Code establishes the Parks and Recreation Advisory Board and provides that the Board shall consist of five members who are citizens of the City and who are appointed by the City Commission for two-year terms.

The terms of all current Parks and Recreation Advisory Board members have expired. Three (3) current members, Jacob Finkel, La'Ciera Reddick, and Andrea Scott have expressed an interest in continuing their service.

Additionally, six (6) individuals have expressed an interest in serving on the Board. The status of their residency verification is reflected below:

Applicant	Residency Verification
Brian Crawford	Verified
Johnkeria Kinglocke	Verified
Darron Miller	Unable to verify
Tarchur Tomlin	Verified
Luz Torres	Verified
Patricia S. Wallace	Verified

BUDGET IMPACT:
There is no anticipated fiscal impact associated with the appointment or reappointment of members to the Parks and Recreation Advisory Board.

LEGAL NOTE:
This item has been reviewed for legal sufficiency. Any additional legal guidance will be deferred to the City Attorney as necessary.

STAFF RECOMMENDATION:
Staff recommends approval of the item. The City Commission may consider the individuals for appointment and reappointment to the Parks and Recreation Advisory Board and take such action as it deems appropriate.

ATTACHMENTS:
Resolution 2026-69

RESOLUTION 2026-69

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, REAPPOINTING THREE MEMBERS AND APPOINTING TWO NEW MEMBERS TO THE PARKS AND RECREATION ADVISORY BOARD; PROVIDING FOR TWO-YEAR TERMS; PROVIDING FOR ADOPTION OF REPRESENTATIONS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Article V, Section 2-162 of the City of Pahokee's Code of Ordinances established the Parks and Recreation Advisory Board consisting of five (5) members who are citizens of the City appointed by the City Commission for a two-year term; and

WHEREAS, the Parks and Recreation Advisory Board assists in planning recreational and playground sites, activities, capital improvements, programs, and other matters as requested by the City Commission or City Manager; and

WHEREAS, the terms of the current members of the Parks and Recreation Advisory Board have expired; and

WHEREAS, the City Commission desires to reappoint _____, _____, and _____ to serve as members of the Parks and Recreation Advisory Board for new two-year terms; and

WHEREAS, the City Commission desires to appoint _____ and _____ to serve as new members of the Parks and Recreation Advisory Board for two-year terms; and

WHEREAS, the City Commission finds that the reappointment and appointment of members to the Parks and Recreation Advisory Board is in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA:

Section 1. Adoption of Representations. The foregoing "Whereas" clauses are hereby ratified and confirmed as being true and the same are hereby made a specific part of this Resolution.

Section 2. Reappointment of Members. The City Commission hereby reappoints the following individuals to serve as members of the Parks and Recreation Advisory Board for two-year terms:

1. _____
2. _____

3. _____

Section 3. Appointment of New Members**.** The City Commission hereby appoints the following individuals to serve as members of the Parks and Recreation Advisory Board for two-year terms:

1. _____
2. _____

Section 4. Effective Date**.** This Resolution shall be effective immediately upon its passage and adoption.

PASSED and **ADOPTED** this 27th day October 2026.

_____
Keith W. Babb, Jr., Mayor

ATTEST:

_____
Nylene Clarke, CMC, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

_____
Burnadette Norris-Weeks, P.A.
City Attorney

Moved by: _____

Seconded by: _____

VOTE:

Mayor Babb	_____ (Yes)	_____ (No)
Vice Mayor McDonald	_____ (Yes)	_____ (No)
Commissioner Cowan-Williams	_____ (Yes)	_____ (No)
Commissioner McPherson	_____ (Yes)	_____ (No)
Commissioner Scott	_____ (Yes)	_____ (No)

AGENDA

MEMORANDUM

TO: HONORABLE MAYOR & CITY COMMISSIONERS

VIA: Brenda L. Bryant, CITY MANAGER

FROM: Tamara Dowdell, Finance Director

SUBJECT: Ratification of Vault Opening and Closing and Vault Setting Services at Port Mayaca Cemetery

DATE: October 27, 2026

GENERAL SUMMARY/BACKGROUND:

The City of Pahokee obtained vault opening and closing and vault setting services at Port Mayaca Cemetery from multiple vendors during the period of October 18, 2025, through August 22, 2026. These services were necessary because the City's backhoe was out of service, requiring outside vendors to maintain cemetery operations and accommodate scheduled burials.

The City is seeking ratification from the City Commission for the services rendered and associated invoices totaling $29,280.00. The vendors and supporting invoices are identified in Exhibit "A" to the accompanying resolution.

BUDGET IMPACT: Yes - $29,280.00 for vault opening and closing and vault setting services at Port Mayaca Cemetery.

LEGAL NOTE: N/A

STAFF RECOMMENDATION:
Staff recommends approval of the accompanying resolution ratifying vault opening and closing and vault setting services obtained from multiple vendors at Port Mayaca Cemetery from October 18, 2025, through August 22, 2026, and the associated invoices totaling $29,280.00.

ATTACHMENTS:
Resolution 2026-70
Exhibit "A" —Supporting invoices

RESOLUTION 2026-70

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AUTHORIZING AND RATIFYING INVOICES FROM MULTIPLE VENDORS FOR OPENING AND CLOSING AND VAULT SETTING SERVICES AT PORT MAYACA CEMETERY, AS ATTACHED HERETO AS EXHIBIT "A"; FURTHER RATIFYING THE SERVICES OBTAINED WHILE THE CITY'S BACKHOE WAS OUT OF SERVICE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Pahokee ("City") required opening and closing and vault setting services at Port Mayaca Cemetery from November 8, 2025, through August 22, 2026; and

WHEREAS, the City's backhoe was out of service during this period, requiring the City to obtain services from outside vendors to maintain cemetery operations and accommodate scheduled burials; and

WHEREAS, the City obtained these services from multiple vendors and is now seeking ratification from the City Commission for the following services and costs; and

WHEREAS, opening and closing and vault setting services were provided by MULO Inc, Camel Funeral Services Inc, Buxton & Bass Okeechobee Funeral Home, and Wilbert Funeral Service Inc, at Port Mayaca Cemetery from November 8, 2025, through August 22, 2026, at a total cost not to exceed $29,280, for the invoices set forth in Exhibit "A" attached hereto; and

WHEREAS, the City Commission desires to ratify the services obtained and the associated costs, as set forth in Exhibit "A," as being in the best interests of the City of Pahokee.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA AS FOLLOWS:

Section 1. Adoption of Representations. The foregoing "Whereas" clauses are hereby ratified and confirmed as being true and the same are hereby made a specific part of this Resolution.

Section 2. Authorization of City Manager. The City Commission of the City of Pahokee hereby authorizes and ratifies opening and closing and vault

setting services at Port Mayaca Cemetery from the vendors identified in Exhibit "A," in a total amount not to exceed $29,280.00 and authorizes payment of same. Any payments previously made for these invoices are hereby ratified.

Section 3. Effective Date. This Resolution shall be effective immediately upon its passage and adoption.

PASSED and **ADOPTED** this 27th day of October, 2026.

_____
Keith W. Babb, Jr., Mayor

ATTEST:

_____
Nylene Clarke, City Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

_____
Burnadette Norris-Weeks, P.A.
City Attorney

Moved by: _____

Seconded by: _____

VOTE:

Mayor Babb	_____ (Yes)	_____ (No)
Vice-Mayor McDonald	_____ (Yes)	_____ (No)
Commissioner Cowan-Williams	_____ (Yes)	_____ (No)
Commissioner McPherson	_____ (Yes)	_____ (No)
Commissioner Scott	_____ (Yes)	_____ (No)

EXHIBIT "A"
PORT MAYACA CEMETERY
OPENING AND CLOSING AND VAULT SETTING SERVICES – VENDOR INVOICES

Vendor/Receipt From	Acct. Period	Amount
BUXTON & BASS OKEECHOBEE F	1/26	795.00
BUXTON & BASS OKEECHOBEE F	1/26	1,045.00
BUXTON & BASS OKEECHOBEE F	12/25	795.00
BUXTON & BASS OKEECHOBEE F	12/25	1,045.00
BUXTON & BASS OKEECHOBEE F	3/26	1,045.00
BUXTON & BASS OKEECHOBEE F	4/26	795.00
BUXTON & BASS OKEECHOBEE F	5/26	795.00
BUXTON & BASS OKEECHOBEE F	5/26	795.00
BUXTON & BASS OKEECHOBEE F	5/26	795.00
BUXTON & BASS OKEECHOBEE F	5/26	795.00
BUXTON & BASS OKEECHOBEE F	6/26	795.00
BUXTON & BASS OKEECHOBEE F	7/26	795.00
CAMEL FUNERAL SERVICES INC	1/26	100.00
CAMEL FUNERAL SERVICES INC	1/26	995.00
CAMEL FUNERAL SERVICES INC	12/25	600.00
CAMEL FUNERAL SERVICES INC	12/25	5,970.00
CAMEL FUNERAL SERVICES INC	2/26	995.00
CAMEL FUNERAL SERVICES INC	4/26	100.00
CAMEL FUNERAL SERVICES INC	4/26	995.00
CAMEL FUNERAL SERVICES INC	5/26	1,095.00
CAMEL FUNERAL SERVICES INC	5/26	1,095.00
CAMEL FUNERAL SERVICES INC	7/26	995.00
CAMEL FUNERAL SERVICES INC	7/26	995.00
CAMEL FUNERAL SERVICES INC	8/26	950.00
MULO INC	10/25	1,000.00
MULO INC	10/25	1,000.00
MULO INC	11/25	1,000.00
WILBERT FUNERAL SERVICE IN	12/25	1,105.00
	TOTAL	29,280.00

INVOICE

Mulo Inc
PO Box 576
Belle Glade, FL 33430

muloinc@yahoo.com
+1 (561) 996-1783

RECEIVED 10.20.25

Bill to
City Of Pahokee
207 Begonia Drive
ATT: Accts Payable
Pahokee, FL 33476

Invoice details
Invoice no.: 22986
Terms: Due on receipt
Invoice date: 10/20/2025
Due date: 11/01/2025

P.O. Number: Port Mayaca Cemetery

#	Date	Product or service	Description	Qty	Rate	Amount
1.	10/18/2025	**Misc.**	Closing of vault Saturday 10/18/2025 @ 2PM Garden B - Lot 15B space 2	1	$1,000.00	$1,000.00

Total **$1,000.00**

Mail check to Mulo Inc
PO Box 576
Belle Glade FL 33430

M. Hall

INVOICE

Mulo Inc
PO Box 576
Belle Glade, FL 33430

muloinc@yahoo.com
+1 (561) 996-1783

RECEIVED

Bill to
City Of Pahokee
207 Begonia Drive
ATT: Accts Payable
Pahokee, FL 33476

Invoice details
Invoice no.: 23018
Terms: Due on receipt
Invoice date: 10/28/2025
Due date: 11/01/2025

P.O. Number: 3611

#	Date	Product or service	Description	Qty	Rate	Amount
1.	10/25/2025	**Misc.**	Garden B lot 188 space 1	1	$1,000.00	$1,000.00

Total **$1,000.00**

Mail check to Mulo Inc
PO Box 576
Belle Glade FL 33430

M. Mulo

INVOICE

Mulo Inc
PO Box 576
Belle Glade, FL 33430

muloinc@yahoo.com
+1 (561) 996-1783

Bill to
City Of Pahokee
207 Begonia Drive
ATT: Accts Payable
Pahokee, FL 33476

RECEIVED 11-10-25

Invoice details
Invoice no.: 23063
Terms: Due on receipt
Invoice date: 11/11/2025
Due date: 12/01/2025

P.O. Number: Garden B - Lot: 16A - Space: 2.

#	Date	Product or service	Description	Qty	Rate	Amount
1.	11/08/2025	**Misc.**	Dug open a grave, close the grave, and set the vault and lid Garden B - Lot: 16A - Space: 2.	1	$1,000.00	$1,000.00

Total **$1,000.00**

Mail check to Mulo Inc
PO Box 576
Belle Glade FL 33430

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

RECEIVED

12/18/2025

Invoice
Deceased: Not provided
Burial: Friday 12/05/2025
Location: Memorial Park A - Lot: 125

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $795.00

M. Haro

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

RECEIVED

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

12/18/2025

Invoice
Deceased: Not provided
Burial: Saturday 12/6/2025
Location: Garden B - Lot: 16B - Space: 1

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $1045.00

M. Haro

Wilbert

Invoice

j047499

WILBERT FLORIDA
3500 COLLEGE BLVD
LEAWOOD, KS 66211
PH# (913) 345-2120

RECEIVED 12.16.25

SOLD TO:

CITY OF PAHOKEE
207 BEONIA DRIVE
PAHOKEE, FL
PAHOKEE, FL 33476

SHIP TO:

CITY OF PAHOKEE
PORT MAYACA CEMETERY
23900 SW KANNER HWY
CANAL POINT, FL 33438

ACCT#: JHP100
ORDER#: j047274
PO#: THOMAS HOLT
SALES REP: 123

ORDER DATE: 12/10/25

TERMS: 1/10TH NET 30

INVOICE DATE: 12/24/25

1.5% PER MONTH FINANCE CHARGE
AFTER 30 DAYS

Qty Order	Qty Shipped	Whse/Item#	Description	Unit Price	TX	Extended Price
1	1	JD 541151	OPEN & CLOSE,INSTALLATION $1105.00 OPEN/CLOSE/VAULT INSTALLATION DEC: THOMAS HOLT SERVICE: FRI 12/12 11:00 AM GRAVESIDE	1105.00	Y	1105.00

x M. Haro

DISCOUNT ALLOWED IF PAID WITHIN TERMS...11.05

	Sales Amount:	1105.00
Tax Rate:	Sales Tax:	0.00
	Total:	1105.00

THANK YOU

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

RECEIVED 1-28-26

1/28/2026

Invoice
Deceased: Douglas Family
Burial: Friday 1/16/2026
Location: Garden B - Lot: 7A - Space: 1

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $795.00

Service completed
on 1/16/2026 - M. Haro

Camel Funeral Services Inc.

725 South Main Street
FL 33430

Invoice

Date	Invoice #
12/31/2025	116

Bill To
City of Pahokee Port Mayaca Cemetery,

RECEIVED

P.O. No.	Terms	Project
	1% 10 Net 30	

Quantity	Description	Rate	Amount
6	Set & Seal	100.00	600.00
6	Opening & Closing Name/s of Deceased Burial Location Date of Service Phillip L. Keyes Sr. Garden D - Lot: 71 - Space: 1 12/27/2025 Calvin Perdue Garden B - Lot: 16A - Space: 2 12/27/2025 Hezekiah Jackson Garden B - Lot: 100A - Space: 1 1/3/2026 Joyce Anett Jordan Garden B - Lot: 7B - Space: 1 1/17/2026 Walter Weston Sr. Garden B - Lot: 17 - Space: 6 1/17/2026 Ja'Qwaun Freeman Garden B - Lot: 14 - Space: 5 1/17/2026	995.00	5,970.00

Always a pleasure working with you!

Total $6,570.00

M. Hano

Camel Funeral Services Inc.

725 South Main Street
FL 33430

Invoice

Date	Invoice #
1/27/2026	120

Bill To
City of Pahokee Port Mayaca Cemetery.

RECEIVED

P.O. No.	Terms	Project
	1% 10 Net 30	

Quantity	Description	Rate	Amount
1	Set & Seal	100.00	100.00
	Opening & Closing	995.00	995.00
	Date of Service		
	Joshua Jones Sr.		
	Garden B - Lot: 16A - Space: 1		
	1/3/2026		
	Always a pleasure working with you!	**Total**	$1,095.00

M. Haro

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

RECEIVED
02-02-26

1/29/2026

Invoice
Family Name: Gibson
Burial: Saturday 1/31/2026
Location: Garden B - Lot: 17 - Space: 5
Funeral director estimated time of arrival to cemetery around 2:30PM.

RE: Opening/Closing of Grave and Vault Setting @ Port Mayaca Cemetery

Total $1045.00

Service Completed
on 1/31/2026. - M. Haro

4d

Camel Funeral Services Inc.

725 South Main Street
FL 33430

Invoice

Date	Invoice #
2/24/2026	122

Bill To
City of Pahokee Port Mayaca Cemetery.

P.O. No.	Terms	Project
	1% 10 Net 30	

Quantity	Description	Rate	Amount
1	Opening & Closing Monday's (2/23) - Wilder Family (Joanne Wilder) - Memorial Park A - Lot: 289 service.	995.00	995.00
	All work is complete. Thanks So Much !!	**Total**	$995.00

Service completed on
2/23/2026.
-M. Haro

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

RECEIVED 3.26.26

3/26/2026

Invoice
Family Name: Ethel Graham
Burial: Saturday 3/21/2026
Location: Garden B - Lot: 14 - Space: 4
Funeral director estimated time of arrival to cemetery around 2:00 PM.

RE: Opening/Closing of Grave and Vault Setting @ Port Mayaca Cemetery

Total $1045.00

Services completed on 3/21/2026 - M. Hall

Camel Funeral Services Inc.

725 South Main Street
FL 33430

Invoice

Date	Invoice #
4/16/2026	124

Bill To
City of Pahokee Port Mayaca Cemetery,

RECEIVED
05.01.26

P.O. No.	Terms	Project
	1% 10 Net 30	

Quantity	Description	Rate	Amount
	Opening & Closing	995.00	995.00
	Set & Seal	100.00	100.00
	Saturday (4/18) - Wallace Hudson - Garden B - Lot: 14 - Space: 3		
	- Service Completed on 4/18/2026 M. Haro		
		Total	$1,095.00

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

RECEIVED 04.21.26

4/16/2026

Invoice
Deceased: James Harrington
Burial: Tuesday 4/21/2026
Location: Garden A - Lot: 12 - Space: 1

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $795.00

Service completed on 4/21/2026.
-M. Haro

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

RECEIVED 05.14.26

5/8/2026

Invoice
PO#3779
Deceased: Brian Lee Peaden
Burial: 10 a.m. Tuesday, 5/12/2026
Location: Garden B - Lot: 10B - Space: 2

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $795.00

Service completed on 5/12/2026 - M. Haro

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

RECEIVED
05.14.26

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

5/12/2026

Invoice
PO # 3781
Deceased: Poweli Family
Burial: Wednesday 5/13/2026
Location: ~~awaiting~~ Garden C - Lot: 100 - Space: 1

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $795.00

Service completed on 5/13/2026. M. Hano

Camel Funeral Services Inc.

725 South Main Street
FL 33430

Invoice

Date	Invoice #
5/14/2026	126B

Bill To
City of Pahokee Port Mayaca Cemetery.

RECEIVED 05.20.26

P.O. No	Terms	Project
3776	1% 10 Net 30	

Quantity	Description	Rate	Amount
1	Opening & Closing	995.00	995.00
1	Set & Seal	100.00	100.00
	Saturday (5/2) - (Eric A. Cain) - Garden B - Lot: 58A - Space: 2		
	Thank you for your business.	**Total**	$1,095.00

Service completed on 5/2/2026 - M. Ojeda

Invoice

Camel Funeral Services Inc.

725 South Main Street
FL 33430

Date	Invoice #
5/14/2026	126

Bill To
City of Pahokee Port Mayaca Cemetery.

RECEIVED 05.18.26

P.O. No.	Terms	Project
3776	1% 10 Net 30	

Quantity	Description	Rate	Amount
1	Opening & Closing	995.00	995.00
1	Set & Seal	100.00	100.00
	Saturday (5/2) - (Ronnie Walker) - Garden B - Lot: 14 - Space: 3		
	Thank you for your business.	**Total**	$1,095.00

Service Completed on 5/2/2026. M. Haro

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

5/20/2026

Invoice
P.O. # 3786

RECEIVED 05.27.26

Deceased: Letha S. Rice
Burial: 12 p.m. Friday, May 22, 2026
Location: Memorial Park C - Lot: 612

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $795.00

Service completed on 5/22/2026
-M. Mann

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

RECEIVED
06.01.26

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

5/27/2026

Invoice
PO 3794
Deceased: Linda Jane Kryvanis
Burial: 2:30 p.m. Thursday, May 28, 2026
Location: Garden C - Lot: 60 - Space: 2

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $795.00

Service completed on 5/28/2026. -M. Haro

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

RECEIVED 06.16.26

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

6/16/2026

Invoice
PO #3804
Deceased: Wilfred W. Wood
Burial: Tuesday, 6/9/2026
Location: Garden D - Lot: 125 - Space: 2

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $795.00

Service completed on 6/9/2026. - M. Haro

Buxton
OKEECHOBEE
FUNERAL HOME & CREMATORY

400 North Parrott Avenue
Okeechobee, Florida 34972
(863)763-1994
FAX (863)763-8134

RECEIVED 07.10.26

7/9/2026

Invoice
PO #3824
Deceased: Norman G. Martin
Graveside at 10am.
Burial: Thursday, 7/2/2026
Location: Garden D - Lot: 198 - Space: 1

RE: Opening of Grave and Vault Setting @ Port Mayaca Cemetery

Total $795.00

Service completed on 7/2/2026.

M. Haro

Camel Funeral Services Inc.

725 South Main Street
FL 33430

Invoice

Date	Invoice #
7/17/2026	131

Bill To
City of Pahokee Port Mayaca Cemetery.

RECEIVED 07-20-26

P.O. No.	Terms	Project
3851	1% 10 Net 30	

Quantity	Description	Rate	Amount
1	Opening & Closing Ruth W. Miners Garden D - Lot: 110 - Space: 3	995.00	995.00
		Total	$995.00

Service completed on Friday 7/17/2026. -M. Ifaro

Cathel Funeral Services Inc.

Invoice

725 South Main Street
FL 33430

Date	Invoice #
7/25/2026	132

Bill To
City of Pahokee Port Mayaca Cemetery,

RECEIVED 07.27.26

P.O. No.	Terms	Project
3864	1% 10 Net 30	

Quantity	Description	Rate	Amount
	Opening & Closing Beverly L. Tate-White Old Block 19 - Lot: 526A Sat 7/25/2026 Opening and Closing/Vault Setting	995.00	995.00
	Service completed on 7/25/2026 - M. Mose		
		Total	$995.00

Invoice

Camel Funeral Services Inc.

725 South Main Street
FL 33430

Date	Invoice #
8/19/2026	134

Bill To
City of Pahokee Port Mayaca Cemetery,

RECEIVED 09.14.26

P.O. No.	Terms	Project
3890	1% 10 Net 30	

Quantity	Description	Rate	Amount
	Opening & Closing Decedent: Ja'Marcus Jordan Smith Date: Saturday 8/22/2026 ETA: 2:30PM Location: Garden B - Lot: 11 - Space: 6 Service completed on 8/22/2026 - M. Haro	950.00	950.00
		Total	$950.00

MEMORANDUM

TO: Honorable Mayor & City Commissioners

VIA: Brenda L. Bryant, City Manager

FROM: Tamara Dowdell, Finance Director

SUBJECT: Resolution to accept and file the External Auditor Report for year ending September 30, 2025.

DATE: October 27, 2026

GENERAL SUMMARY/BACKGROUND:

The audit of the financial statements of City of Pahokee, Florida as of and for the year ended September 30, 2025, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and Chapter 10.550, *Rules of the Auditor General*

BUDGET IMPACT:

There is no budget impact associated with approving this item.

LEGAL NOTE:

Defer to City Attorney

STAFF RECOMMENDATION:

Staff Recommend Approval

ATTACHMENTS:

Resolution 2026-71
FY25 Independent Auditor's Report

RESOLUTION NO. 2026-71

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA ACCEPTING THE EXTERNAL AUDITOR'S REPORT ON THE AUDIT OF THE CITY OF PAHOKEE'S FINANCIAL STATEMENTS AND SINGLE AUDIT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025, AS SET FORTH IN COMPOSITE EXHIBIT "A" ATTACHED HERETO; PROVIDING FOR ADOPTION OF REPRESENTATIONS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Pahokee's required audit was performed by HCT Certified Public Accountants & Consultants, LLC, an independent firm, which has issued its Audit Report on the City's financial statements for the year ending September 30, 2025, and their Report (Single Audit) on the City's Compliance with requirements for each of the City's major programs for the year ending September 30, 2025; and

WHEREAS, the City Commission of the City of Pahokee desires to accept the external auditor's report on the audit of the City's financial statements and single audit for the fiscal year ending September 30, 2025, as set forth in Composite Exhibit "A" attached hereto as in the best interests of the City and its residents.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AS FOLLOWS:

Section 1. Adoption of Representations. The foregoing "Whereas" clauses are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

Section 2. Approval and Authorization**.** The City Commission of the City of Pahokee hereby accepts and files the External Auditor's Report on the Audit of the City's financial statements and Single Audit for the Year Ending September 30, 2025, copies of which shall be on file with the Office of the City Clerk.

Section 3 . Conflict. All resolutions in conflict herewith are hereby and expressly repealed.

Section 4. Effective Date. This Resolution shall be effective immediately upon its passage and adoption.

PASSED and **ADOPTED** this 27th day of October, 2026.

Keith W. Babb, Jr., Mayor

ATTEST:

Nylene Clarke, CMC, City Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Burnadette Norris-Weeks, P.A.
City Attorney

Moved by: _____

Seconded by: _____

VOTE:

Mayor Babb	_____ (Yes)	_____ (No)
Vice Mayor McDonald	_____ (Yes)	_____ (No)
Commissioner Cowan-Williams	_____ (Yes)	_____ (No)
Commissioner McPherson	_____ (Yes)	_____ (No)
Commissioner Scott	_____ (Yes)	_____ (No)

COMPOSITE EXHIBIT "A"

External Auditor's Report and Single Audit for the year ending September 30, 2025

(ATTACHED)

City of Pahokee, Florida

Financial Statements

September 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To The Honorable Mayor and Members of the City Council
City of Pahokee, Florida
Pahokee, Florida

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund information of the City of Pahokee, Florida (the "City"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	
General Fund	Unmodified
Henderson Endowment Fund	Unmodified
Capital Projects Fund	Unmodified
Special Revenue Fund	Unmodified
Business-Type Activities	
Marina and Campground Fund	Qualified
Cemetery Fund	Qualified

Qualified Opinions

In our opinion, except for the possible effects of the matters described in the "Basis for Qualified and Unmodified Opinions" section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the Business-type Activities, Cemetery Fund, and Marina and Campground Fund of the City of Pahokee, Florida, as of September 30, 2025, and the changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Governmental Funds, General Fund, Henderson Endowment Fund, Capital Projects Fund, and the Special Revenue Fund of the City of Pahokee, Florida, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison schedules for the indicated funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions
We conducted our audit of the financial statements of the Governmental Activities, the Business-Type Activities, and each major fund information in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Pahokee, Florida, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions.

We did not audit the financial statements of the Florida Retirement System (included in the General fund), which represents 1 percent, 4 percent, and 1 percent, respectively, of the assets, deferred, liabilities, and expenses of the City of Pahokee, Florida's pension plan as of September 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Florida Retirement System, is based solely on the report of the other auditors.

Matters Giving Rise to Qualified Opinions on the Business-type funds, Cemetery Fund, Marina and Campground Fund, Business-Type Activities and Governmental Activities
The City has not performed a physical count of inventories and has not maintained perpetual inventory records for the Cemetery Fund. The City also has not established adequate internal controls over the completeness of revenues and receivables of the Cemetery Fund. The amount by which these items would affect the assets, net position, revenue, and expenses of the Cemetery Fund and the Business-Type Activities could not be determined. The City has not established adequate internal controls over the completeness of revenues and unearned revenues for the Marina and Campground Fund. The amount by which these items would affect the assets, liabilities, net position, and revenues of the Marina and Campground Fund and the Business-Type Activities could not be determined.

Matters Giving Rise to Scope Limitations on the Capital Assets and General Long-Term Liabilities captions in the Balance Sheet of Governmental Funds
The City was unable to provide a complete and accurate capital asset schedule and sufficient supporting documentation for certain capital asset additions, resulting in our inability to obtain sufficient appropriate audit evidence regarding the completeness, existence, valuation, classification, and related depreciation of certain capital assets reported within the Marina and Campground Fund and Capital Assets Fund. Accordingly, we were unable to determine whether adjustments to capital assets, accumulated depreciation, depreciation expense, and related net position were necessary. The amount by which these items would affect the assets, liabilities, net position, and expenses of the Governmental and Business-Type Activities could not be determined.

The City did not provide an updated actuarial valuation or other information necessary to update the OPEB liability and related amounts for fiscal year 2025; accordingly, the OPEB amounts reported in the financial statements were based on information from a prior fiscal year. As a result, we were unable to obtain sufficient appropriate audit evidence to determine whether adjustments to the OPEB liability, related deferred outflows and inflows, OPEB expense, and net position were necessary. The amount by which these items would affect the assets, liabilities, net position, and expenses of the Governmental Activities, including the General Long-Term Liabilities, could not be determined.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Pahokee, Florida's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Pahokee, Florida's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Pahokee, Florida's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, on pages 5-12, budgetary comparison information, on pages 57-58, the schedule of funding progress – other postemployment benefits, on page 60, and the pension schedules, on pages 61-64, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal controls over financial reporting and compliance.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida
September 28, 2026

City of Pahokee, Florida
Management's Discussion and Analysis
September 30, 2025

As the City Manager of the City of Pahokee, I offer readers of our financial statements this narrative overview and analysis of our financial activities for the fiscal year ended September 30, 2025. I encourage readers to consider the information presented here in conjunction with the City's financial statements beginning on page 13.

FINANCIAL HIGHLIGHTS

- The City of Pahokee's sum of assets and deferred outflows of resources less the sum of its liabilities and deferred inflows of resources is $19,593,066 (net position) as of September 30, 2025. Unrestricted net position, which may be used to meet the government's ongoing obligations to citizens, was $1,181,496 as of September 30, 2025.
- The governmental net position decreased by $956,070 for the fiscal year ended September 30, 2025.
- The business-type net position increased by $142,406 for the fiscal year ended September 30, 2025. The increase was primarily a result of the additions to Capital assets.
- The business-type activities revenues decreased by $18,656 during the fiscal year ended September 30, 2025, as a result of fewer revenues earned from services in FY 2025.
- The total net cost of all City programs was $6,631,880 during the fiscal year ending September 30, 2025. This is an increase of $12,850 from the total net cost of all City programs during the prior fiscal year.
- The City's long-term liabilities totaled $627,507, an increase of $245,315 during the current fiscal year.

USING THIS REPORT

Management's Discussion and Analysis introduces the City's financial statements. The financial statement's focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the City's accountability. The financial statements are described below.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Pahokee's finances in a manner similar to a private-sector business. The Statement of Net Position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

USING THIS REPORT (Continued)

Government-Wide Financial Statements (Continued)

The two government-wide statements report on the City's net position and how they have changed. Net position, the difference between the City's assets and liabilities, is one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the City's overall health.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Government activities – Most of the City's basic services are reported here, including the police, fire, public services, parks and recreation, and general administration. Property taxes, franchise fees, shared revenues, and solid waste collection services finance most of these activities.
- Business-type activities – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. These activities include cemetery services, and marina and campground services.

Fund Financial Statements

Our fund-based financial statements begin on page 15. The fund financial statements provide detailed information about the most significant funds but do not provide information on the City as a whole. Funds are acting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Governmental funds – Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can be readily converted to cash flow and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

- Proprietary funds – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. In fact, the City's enterprise funds (one type of proprietary fund) are the same as its business-type activities. However, more detailed information is provided on the City's enterprise funds such as additional information provided in the statement of cash flows.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The City has reported its financial statements in a government-wide format using the required GASB 34 reporting model. A comparative analysis of government-wide data is presented in the following sections.

Net position

The City's combined net position as of September 30, 2025, was $19,593,066. The City's Governmental Activities net position was reported as $14,409,093, of which $2,206,102 was unrestricted and available to fund future operations. The City's business-type activities net position as of September 30, 2025, is reported as $5,183,973. The total net position included an unrestricted net position deficit of $1,024,606.

Summary of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 5,853,264	$ 7,407,811	$ (336,954)	$ (318,700)	$ 5,516,310	$ 7,089,111
Capital assets	10,824,092	11,088,781	6,011,361	5,716,752	16,835,453	$ 16,805,533
Total assets	16,677,356	18,496,592	5,674,407	5,398,052	22,351,763	23,894,644
Deferred outflows of resources						
Pension related items	92,151	92,518	-	-	92,151	92,518
Total deferred outflows of resources	92,151	92,518	-	-	92,151	92,518
Current and other liabilities	1,250,578	2,700,641	481,591	350,457	1,732,169	3,051,098
Long-term liabilities outstanding	621,234	378,734	6,273	3,458	627,507	382,192
Total liabilities	1,871,812	3,079,375	487,864	353,915	2,359,676	3,433,290
Deferred inflows of resources						
Unearned revenue	428,166	116,577	2,570	2,570	430,736	119,147
Pension related items	60,436	27,995	-	-	60,436	27,995
Total deferred inflows of resources	488,602	144,572	2,570	2,570	491,172	147,142
Net position:						
Invested in capital assets (net of related debt)	10,824,092	11,088,781	6,011,361	5,716,752	16,835,453	16,805,533
Restricted items	1,378,899	1,491,548	197,218	197,233	1,576,117	1,688,781
Unrestricted	2,206,102	2,784,834	(1,024,606)	(872,418)	1,181,496	1,912,416
Total net position	$ 14,409,093	$ 15,365,163	$ 5,183,973	$ 5,041,567	$ 19,593,066	$ 20,406,730

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Changes in Net Position

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

- The governmental activities reported a total decrease in net position of $(956,070) for the fiscal year ended September 30, 2025.

- The business-type activities reported a total increase in net position of $ 142,406 for the fiscal year ended September 30, 2025.

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FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Summary of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charge for services	$ 1,094,093	$ 1,380,225	$ 304,644	$ 276,247	$ 1,398,737	$ 1,656,472
Operating grant and contribution	590,569	3,183,690	-	-	590,569	3,183,690
Capital grant	92,164	126,878	-	-	92,164	126,878
General revenues:						
Ad valorem taxes	805,995	748,175	-	-	805,995	748,175
Local option sales tax	180,918	181,362	-	-	180,918	181,362
Infrastructure surtax	546,756	536,653	-	-	546,756	536,653
Utility taxes	492,008	486,036	-	-	492,008	486,036
Franchise fees	295,176	300,779	-	-	295,176	300,779
Intergovernmental shared revenues	1,223,476	1,136,753	-	-	1,223,476	1,136,753
Unrestricted investment earnings	53,193	69,108	-	-	53,193	69,108
Lease and rental revenues	94,176	89,689	7,242	16,983	101,418	106,672
Miscellaneous revenues	37,806	56,894	-	-	37,806	56,894
Total revenues	5,506,330	8,296,242	311,886	293,230	5,818,216	8,589,472
Program expenses:						
General government	1,931,003	1,830,327	-	-	1,931,003	1,830,327
Public safety	951,507	942,098	-	-	951,507	942,098
Transportation	1,022,731	1,082,706	-	-	1,022,731	1,082,706
Culture and recreation	951,495	998,295	-	-	951,495	998,295
Physical environment	660,268	696,814	-	-	660,268	696,814
Interest on long term debt	-	-	-	-	-	-
Marina	-	-	915,546	864,983	915,546	864,983
Cemetery	-	-	199,330	203,807	199,330	203,807
Total expenses	5,517,004	5,550,240	1,114,876	1,068,790	6,631,880	6,619,030
Increase (decrease) in net assets before transfer in (out)	(10,674)	2,746,002	(802,990)	(775,560)	(813,664)	1,970,442
Transfer in/(out)	(945,396)	(282,190)	945,396	282,190	(0)	-
Increase (decrease) in net position	(956,070)	2,463,812	142,406	(493,370)	(813,664)	1,970,442
Net position at beginning of year	15,365,163	12,901,351	5,041,567	5,534,937	20,406,730	18,436,288
Net position at end of year	$ 14,409,093	$ 15,365,163	$ 5,183,973	$ 5,041,567	$ 19,593,066	$ 20,406,730

For the fiscal year ended September 30, 2025, total taxes were $2,025,678 and comprised 37% of the total revenues of $5,506,330 for governmental activities during the year. For the fiscal year ended September 30, 2025, operating and capital grants revenues were $682,732 for governmental activities, which represented 12% of total revenues. The majority of the operating and capital grant awards were for road improvements, parks, and recreational grants. Governmental activities intergovernmental shared revenues were $1,223,476 and represented 22% of total revenues.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Financial Analysis of the Major Governmental Funds

As of September 30, 2025, the City of Pahokee's governmental funds reported a combined ending fund balance of $4,230,780. The City reported a decrease in the governmental fund balance of $416,071 for the fiscal year ended September 30, 2025.

Financial Analysis of the Major Governmental Funds

The General Fund is the chief operating fund of the City of Pahokee. As of September 30, 2025, the General Fund unassigned fund balance was $2,239,939; and the total non-spendable fund balance was $611,942.

As of September 30, 2025, the Henderson Endowment Fund reported a non-spendable fund balance in the amount of $875,000, no change from prior year.

As of September 30, 2025, the Capital Projects Fund reported a committed fund deficit in the amount of $(53,309). The Capital Projects Fund was established in FY 2019 to account for the capital projects of the City that are grant funded. Major projects were conducted using discretionary surtax revenues that were previously accounted for in the General Fund. The deficit fund balance represents projects that were supported by the General Fund.

Financial Analysis of the Major Proprietary Funds

Marina and Campground Fund

As of September 30, 2025, the Marina and Campground Fund reported unrestricted net position deficit of ($655,598) and investment in capital assets of $5,898,526. The Marina and Campground Fund total net position increased by $162,672 during the fiscal year ended September 30, 2025.

Cemetery Fund

As of September 30, 2025, the Cemetery Fund reported an unrestricted net position deficit of ($369,008), investment in capital assets of $112,835, and $197,218 in restricted net position. The Cemetery Fund total net position decreased by $(20,266) during the fiscal year ended September 30, 2025.

General Fund Budgetary Highlights

General Fund actual revenues were less than budgeted revenues by $(1,018,069) for the fiscal year ended September 30, 2025. General Fund budgeted expenditures were more than actual expenditures by $90,774 during the fiscal year ended September 30, 2025.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 404,742	$ 404,742	$ 98,000	$ 98,000	$ 502,742	$ 502,742
Construction in Progress	101,566	6,517,509	-	-	101,566	6,517,509
Improvements other than buildings	9,560,364	3,355,485	1,928,884	1,368,394	11,489,248	4,723,879
Buildings	676,975	695,044	3,984,477	4,250,358	4,661,452	4,945,402
Equipment	80,445	116,001	-	-	80,445	116,001
Total	$10,824,092	$11,088,781	$6,011,361	$5,716,752	$16,835,453	$16,805,533

As of September 30, 2025, the City had invested $16,835,453 (net of accumulated depreciation) in a broad range of capital assets including parks and recreation facilities, roads, marina and campground sites, and cemetery land. Additional information can be found in Note 5 of the notes to the financial statements.

Long-term Liabilities

As of September 30, 2025, the City had $627,507 in total long-term liabilities as shown in the following table. Additional information can be found in Note 7 of the notes to the financials.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Notes payable	$ -	$ -	$ -	$ -	$ -	$ -
Compensated absences	90,797	137,217	6,273	5,011	97,070	142,228
Net pension liability	92,645	143,606	-	-	92,645	143,606
OPEB obligation	437,792	139,191	-	-	437,792	139,191
Total	$ 621,234	$ 420,014	$ 6,273	$ 5,011	$ 627,507	$ 425,025

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

For the 2025 fiscal year, General Fund revenue projections were conservative and consistent with previous years.

The budget was balanced based on annual revenue intake and external projected revenue for services. Occasionally, the City if required would utilize reserves, however this practice has not occurred in two years thus protecting those funds for unforeseen commitments or emergencies.

The millage rate remained the same, 6.5419 mills.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report was designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact the City Manager at the following address:

City of Pahokee, Florida
City Manager
207 Begonia Drive
Pahokee, FL 33476

CITY OF PAHOKEE, FLORIDA
Statement of Net Position
September 30, 2025

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and cash equivalents	$ 3,564,983	$ 5,865	$ 3,570,848
Receivable (net)			
Accounts	332,001	3,968	335,969
Taxes	168,278	-	168,278
Due from other government	496,483	-	496,483
Internal balances	717,046	(570,407)	146,639
Inventory	-	26,403	26,403
Prepaid items	2,102	-	2,102
Restricted assets:			
Cash and cash equivalents	572,370	197,217	769,587
Capital assets			
Non-depreciable	506,309	98,000	604,309
Depreciable, net of depreciation	10,317,783	5,913,361	16,231,144
Total assets	16,677,355	5,674,407	22,351,762
Deferred outflows of resources:			
Pension and OPEB related items	92,151	-	92,151
Total deferred outflows	92,151	-	92,151
Liabilities:			
Accounts payable	1,143,804	452,652	1,596,456
Accrued liabilities	50,513	6,121	56,634
Deposits	-	20,000	20,000
Non-current liabilities			
Due within in one year	56,260	2,818	59,078
Due in more than one year	90,797	6,273	97,070
Net pension liability	92,645	-	92,645
Net OPEB liability	437,792	-	437,792
Total liabilities	1,871,811	487,864	2,359,675
Deferred inflows of resources			
Unearned revenues	428,166	2,570	430,736
Pension and OPEB related items	60,436	-	60,436
	488,602	2,570	491,172
Net Position:			
Invested in capital assets, net of related debt	10,824,092	6,011,361	16,835,453
Restricted for:			
Infrastructure	503,899	-	503,899
Perpetual care	-	166,912	166,912
Pre-need	-	30,306	30,306
Endowment-nonexpendable	875,000	-	875,000
Unrestricted	2,206,102	(1,024,606)	1,181,496
Total net position	$ 14,409,093	$ 5,183,973	$ 19,593,066

See notes to the financial statements

CITY OF PAHOKEE, FLORIDA
Statement of Activities
For the year ended September 30, 2025

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Government Activities	Business-Type Activities	Total
Governmental activities:							
General government	$ 1,931,003	$ 140,600	$ 127,433	$ 4,303	$ (1,658,667)	$ -	$ (1,658,667)
Public safety	951,507	159,548		-	(791,959)	-	(791,959)
Transportation	1,022,731		462,634	-	(560,097)	-	(560,097)
Culture and recreation	951,495	47,927	502	87,861	(815,205)	-	(815,205)
Physical environment	660,268	746,018	-	-	85,750	-	85,750
Total governmental activities	5,517,004	1,094,093	590,569	92,164	(3,740,178)	-	(3,740,178)
Business-type activities:							
Marina and campground	915,546	148,379	-	-	-	(767,167)	(767,167)
Cemetery	199,330	156,265	-	-	-	(43,065)	(43,065)
Total business-type activities	1,114,876	304,644	-	-	-	(810,232)	(810,232)
Total primary governmental	$ 6,631,880	$ 1,398,737	$ 590,569	$ 92,164	(3,740,178)	(810,232)	(4,550,409)
General revenue:							
Ad Valorem taxes					805,995	-	805,995
Local option gas taxes					180,918	-	180,918
Infrastructure surtax					546,756	-	546,756
Utility taxes					492,008	-	492,008
Franchise fees					295,176	-	295,176
Intergovernmental shared revenues					1,223,476	-	1,223,476
Unrestricted investment earnings					53,193	-	53,193
Miscellaneous revenues					37,806	-	37,806
Rental income					94,176	7,242	101,418
Transfers					(945,396)	945,396	-
Total general revenues and transfers					2,784,108	952,638	3,736,746
Change in net position					(956,070)	142,406	(813,664)
Net position - beginning					15,365,163	5,041,567	20,406,730
Net position - ending					$ 14,409,093	$ 5,183,973	$ 19,593,066

See notes to the financial statements

CITY OF PAHOKEE, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2025

	General Fund	Henderson Endowment Fund	Special Revenues Fund	Capital Projects Fund	Internal Service Fund	Total Governmental Funds
Assets:						
Cash and cash equivalents	$ 1,899,145	$ 895,227	$ 243,180	$ 133,320	394,111	$ 3,564,983
Accounts receivable, net	332,001	-	-	-	-	332,001
Taxes receivable	136,158	-	32,120	-	-	168,278
Due from government	82,682	-		413,801	-	496,483
Prepaid items	2,102	-	-	-	-	2,102
Advances from other funds	609,840	-	127,433	-	-	737,273
Restricted assets:						-
Cash and cash equivalents	399,427	-	172,943	-	-	572,370
Total assets	$ 3,461,355	$ 895,227	$ 575,676	$ 547,121	394,111	$ 5,873,491
Liabilities and fund balances:						
Liabilities:						
Accounts payable	$ 130,795	$ -	$ 18,468	$ 600,430	$ 394,111	$ 1,143,804
Accrued liabilities	50,513	-	-	-	-	50,513
Due to other funds	-	20,227	-	-	-	20,227
Total liabilities	181,308	20,227	18,468	600,430	394,111	1,214,544
Deferred inflows of resources						
Unearned revenue	418,422	-	-	-	-	418,422
Unavailable revenue	9,744	-	-	-	-	9,744
Total deferred inflows of resources	428,166	-	-	-		428,166
Fund balances:						
Non-spendable:						
Prepaid items	2,102	-	-	-	-	2,102
Advances to other funds	609,840	-	-	-	-	609,840
Endowment - nonexpendable	-	875,000	-	-	-	875,000
Committed for						
Capital projects	-	-	557,208	(53,309)	-	503,899
Unassigned	2,239,939	-	-	-	-	2,239,939
Total fund balances	2,851,881	875,000	557,208	(53,309)		4,230,780
Total liabilities, deferred inflows of resources and fund balances	$ 3,461,355	$ 895,227	$ 575,676	$ 547,121	$ 394,111	$ 5,873,490

See notes to the financial statements

CITY OF PAHOKEE, FLORIDA
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
September 30, 2025

Fund Balance – Total Governmental Funds		$ 4,230,780
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. However, they are reported in the government-wide statements.		
Governmental capital assets	$ 20,716,833	
Less accumulated depreciation	(9,892,741)	10,824,092
Long-term liabilities, including accrued interest payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Compensated absences	(147,057)	
Pension liabilities	(92,645)	
OPEB liabilities	(437,792)	(677,494)
Deferred outflows or resources and deferred inflows of related to defined benefit pension plans are applicable to future periods and are not reported in the government funds		
Pension related deferred outflows	92,151	
Pension and OPEB related deferred inflows	(60,436)	31,715
Total Net Position – Governmental Activities		$ 14,409,093

See notes to the financial statements

CITY OF PAHOKEE, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended September 30, 2025

	General Fund	Henderson Endowment Fund	Special Revenues Fund	Capital Projects Fund	Total Governmental Funds
Revenues:					
Taxes	$ 1,479,132	$ -	$ 546,756	$ -	$ 2,025,888
Licenses and permits	430,688	-	-	-	430,688
Intergovernmental	1,297,373	-	127,433	393,039	1,817,845
Charges for services	887,187	-	-	-	887,187
Fines and forfeitures	159,548	-	-	-	159,548
Investment income	34,929	18,263	-	-	53,192
Lease and rental revenues	94,176	-	-	-	94,176
Miscellaneous revenues	37,806	-	-	-	37,806
Total revenues	4,420,839	18,263	674,189	393,039	5,506,330
Expenditures:					
Current:					
General government	1,594,517	-	27,300	-	1,621,817
Public safety	960,773	-	-	-	960,773
Transportation	759,775	-	-	-	759,775
Culture and recreation	777,930	-	-	-	777,930
Physical environment	660,268	-	-	-	660,268
Capital outlay	-	-	60,850	1,062,727	1,123,577
Debt services:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	4,753,263	-	88,150	1,062,727	5,904,140
Excess of revenues over (under) before other financing sources (uses):	(332,424)	18,263	586,039	(669,688)	(397,810)
Other financing sources (uses)					
Transfers in/(out)	29,000	(18,263)	(1,523,015)	1,494,015	(18,263)
Total other financing sources (uses):	29,000	(18,263)	(1,523,015)	1,494,015	(18,263)
Net change in fund balance	(303,424)	-	(936,976)	824,327	(416,073)
Fund balances, beginning of year	3,155,305	875,000	1,494,184	(877,636)	4,646,853
Fund balances, end of year	$ 2,851,881	$ 875,000	$ 557,208	$ (53,309)	$ 4,230,780

See notes to the financial statements

CITY OF PAHOKEE, FLORIDA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities Governmental Funds
For the year ended September 30, 2025

Net change in fund balance – total governmental funds		$ (416,073)
Amounts reported for governmental activities in the statement of activities are		
Governmental fund report capital outlay as expenditures. However, in the statement of the activities the cost of those assets is depreciated over their estimated useful lives:		
Expenditures for capital assets	$ 1,123,577	
Less current year depreciation	(461,133)	662,444
Capital asset transferred to business-type activities		(927,133)
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.		
Change in compensated absences		(9,840)
Change in net pension liability		65,941
Change in deferred outflows related to pension and OPEB		(367)
Change in deferred inflows related to pension		(32,441)
Change in net position of governmental activities		$ (956,070)

See notes to the financial statements

CITY OF PAHOKEE, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2025

	Major Funds		Total Business-Type Activities Enterprise Funds
	Marina and Campground	Cemetery	
Assets			
Current assets:			
Cash and cash equivalents	$ 100	$ 5,765	$ 5,865
Accounts receivable, net	500	3,468	3,968
Due from other funds	-	20,227	20,227
Inventory	-	26,403	26,403
Restricted assets:			
Cash and cash equivalents	-	197,217	197,217
Total current assets	600	253,080	253,680
Capital assets:			
Property, plant and equipment	18,304,902	590,086	18,894,988
Less accumulated depreciation	(12,406,376)	(477,251)	(12,883,627)
Total non-current assets	5,898,526	112,835	6,011,361
Total assets	$ 5,899,126	$ 365,915	$ 6,265,041

CITY OF PAHOKEE, FLORIDA
Statement of Net Position (Continued)
Proprietary Funds
September 30, 2025

Liabilities and net assets			
Liabilities:			
Current liabilities:			
Accounts payable	$ 451,897	$ 755	$ 452,652
Accrued liabilities	3,467	2,654	6,121
Deposits	20,000	-	20,000
Compensated absences-current	-	2,818	2,818
Total current liabilities	475,364	6,227	481,591
Non-current liabilities:			
Compensated absences	-	6,273	6,273
Advances to other funds	178,264	412,370	590,634
Total non-current liabilities	178,264	418,643	596,907
Total liabilities	653,628	424,870	1,078,498
Deferred inflows of resources			
Unearned revenues	2,570	-	2,570
Total deferred inflows of resources	2,570	-	2,570
Net position:			
Invested in capital assets	5,898,526	112,835	6,011,361
Restricted for:			
Perpetual care	-	166,912	166,912
Pre-need	-	30,306	30,306
Unrestricted	(655,598)	(369,008)	(1,024,606)
Total net position	$ 5,242,928	$ (58,955)	$ 5,183,973

See notes to the financial statements

CITY OF PAHOKEE, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the year ended September 30, 2025

	Marina and Campground	Cemetery	Total Enterprise Funds
Operating revenues:			
Sales	148,379	156,265	$ 304,644
Rental income	2,706	4,536	7,242
Total operating revenues	151,085	160,801	311,886
Operating expenses:			
Cost of sales		18,160	18,160
Personal services	31,255	136,163	167,418
Contractual services	1,000	9,000	10,000
Utilities	149,053	6,837	155,890
Supplies	12,659	8,816	21,475
Equipment	-	-	-
Insurance	27,692	14,466	42,158
Depreciation	631,287	1,239	632,526
Repairs and maintenance	46,224	4,372	50,596
Other	16,376	277	16,653
Total operating expenses	915,546	199,330	1,114,876
Operating (loss)	(764,461)	(38,529)	(802,990)
Income (loss) before capital contributions and transfers	(764,461)	(38,529)	(802,990)
Capital Contribution	927,133	-	927,133
Transfer in	-	18,263	18,263
Change in net position	162,672	(20,266)	142,406
Net position, beginning of year	5,080,256	(38,689)	5,041,567
Net position, end of year	$ 5,242,928	$ (58,955)	$ 5,183,973

See notes to the financial statements

CITY OF PAHOKEE, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the year ended September 30, 2025

	Marina and Campground	Cemetery	Total
Cash flows from operating activities:			
Receipts from customers and users	151,085	161,799	312,884
Payments to suppliers	(119,838)	(65,253)	(185,091)
Payments to employees	(31,247)	(132,064)	(163,311)
Net cash provided by (used in) operating activities	-	(35,518)	(35,518)
Cash flows from non-capital financing activities:			
Net cash provided by non-capital financing activities	-	-	-
Net increase (decrease) in cash and cash equivalents	-	(35,518)	(35,518)
Cash and cash equivalents at beginning of year	100	238,500	238,600
Cash and cash equivalents at end of year	100	202,982	203,082

Reconciliation of operating activities:	Marina and Campground	Cemetery	Total
Operating (loss)	(764,461)	(38,529)	(802,990)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	631,287	1,239	632,526
Change in assets and liabilities:			
(Increase) decrease in receivables	-	1,000	1,000
Increase (decrease) in accounts payable	133,167	(3,327)	129,840
Increase (decrease) in accrued liabilities	7	20	27
Increase (decrease) in compensated absences	-	4,079	4,079
Total adjustments	764,461	3,011	767,472
Net cash provided by (used in) operating activities	-	(35,518)	(35,518)
Cash and cash equivalents:			
Unrestricted	100	5,765	5,865
Restricted	-	197,217	197,217
Total cash and cash equivalents	100	202,982	203,082

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

The City is a municipal corporation organized pursuant to Chapter 9872, Laws of Florida, in 1923. The City provides the full range of municipal services contemplated by statute or charter. The services provided include law enforcement, fire control, roads and streets, culture and recreation, public improvements, planning and zoning, marina and campground, garbage and solid waste, cemetery, and general administrative services.

As required by generally accepted accounting principles, these financial statements include the City (the primary government) and its component units. Component units are legally separate entities for which the City is financially accountable. The City is financially accountable if:

a) the City appoints a voting majority of the organization's governing board and (1) the City is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City,

or

b) the organization is fiscally dependent on the City and (1) there is a potential for the organization to provide specific financial benefits to the City or (2) impose specific financial burdens on the City.

Organizations for which the City is not financially accountable are also included when doing so is necessary in order to prevent the City's financial statements from being misleading.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

Fund Financial Statements

The underlying accounting system for the City 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.

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 City are classified into two categories: governmental funds and enterprise funds. Separate financial statements are provided for governmental funds and enterprise funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Governmental Funds

The City reports the following as major governmental funds.

The *General Fund* is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The *Henderson Endowment Fund* is used to account for the permanently restricted principal received from the Estate of Henderson and the related investment income restricted for cemetery operation.

The *Special Revenues Fund* is used to account for the City's proceeds from specific sources not accounted for in the General Fund.

The *Capital Projects Fund* is used to account for the completion of the City's capital projects.

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports on the following major proprietary funds:

The *Marina and Campground Fund* accounts for leasing activities of the marina and campsite area.

The *Cemetery Fund* accounts for the operation of the Port Mayaca Cemetery.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of related cash flows. The City does not accrue property tax revenues since the collection of these taxes coincides with the fiscal year in which levied, and since the City consistently has no material uncollected property taxes at year end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. A 60-day availability period is used for revenue recognition for governmental fund revenues. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures relating to compensated absences, claims and judgments, are recorded only when payment is due.

Fines and permit revenues are not susceptible to accrual because generally they are not measurable until received in cash. Property taxes, franchise taxes, licenses, interest revenue, intergovernmental revenues, and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses report on the costs to maintain the proprietary systems, the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with maturities of three months or less when purchased.

This caption also includes amounts held in the Florida PRIME investment pool administered by the State Board of Administration. The City reports its investment in Florida PRIME at amortized cost. Investments in Florida PRIME are exempt from the GASB 72 fair value hierarchy disclosures.

Accounts Receivable

Accounts receivable from the governmental funds and enterprise funds consist of billed and unbilled receivables.

Inventory

Inventory is valued at cost, which approximates market, using the first in/first out (FIFO) method. The costs of governmental fund type inventory are recorded as expenditures when consumed rather than when purchased.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers among funds. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions (Continued)

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, and sidewalks) are reported in the applicable governmental or business-type activities columns in the governmental-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than $5,000. Capital assets are recorded at cost or the fair market value of the assets at the time of contribution. Depreciation has been calculated over the useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	20-40 years
Improvements	20-30 years
Equipment	3-10 years

Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that is attributable to services already rendered and that is not contingent on a specific event that is outside the control of the government and its employees are accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place. All vacation, sick leave, and sabbatical leave are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured. The City follows GASB 101.

Interest Cost

Interest costs in governmental funds in the fund basis statements are charged to expenditures as incurred. Construction period interest incurred in proprietary funds is capitalized and included in the cost of the assets in accordance with generally accepted accounting principles.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unavailable Revenue

The government reports unavailable revenue on its governmental funds balance sheet. Unavailable revenues in governmental funds arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

Unearned Revenue

The government reports unearned revenue on its government wide statement of net position and proprietary statement of net position. Unearned revenues arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures.

Deferred Outflows of Resources

In addition to assets, the statement of financial position might sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that is applicable to a future period(s) and will not be recognized as an outflow of resources (expenditure/expense) in the current period. At the current time, the City has only pension related items that qualify for reporting in this category.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position might sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) in the current period. At the current time, the City has three items that qualify for reporting in this category: (1) Pension related items; (2) Local business tax receipts that are received by the City prior to the period for which the taxes are levied are reported as deferred inflows of resources on both the entity-wide statement of net position and on the governmental funds balance sheet; and (3) Governmental fund revenues that are not received within 60 days of the fiscal year end don’t meet the availability criterion for revenue recognition of the modified accrual basis of accounting and are therefore reported as deferred inflows of resources on the governmental funds balance sheet.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

Net position is the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets plus deferred outflows of resources and (b) liabilities and deferred inflows of resources. A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position that is applicable to a future reporting period. Net position is displayed in the following three components:

1. *Net investment in capital assets* – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

2. *Restricted net position* – Consists of net position with constraints placed on the use either by: 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions of enabling legislation.

3. *Unrestricted net position* – All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

Fund Balances

In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balance is reported under the following categories:

1. *Nonspendable Fund Balance* – Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale. However, if the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned, then they should be included in the appropriate fund balance classification (restricted, committed, or assigned), rather than the nonspendable fund balance. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances (Continued)

2. *Restricted Fund Balance* – Includes amounts that are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

3. *Committed Fund Balance* – Includes amounts that can be used only for specific purposes pursuant to constraints imposed by an ordinance, the City's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (an ordinance) it employed to previously commit those amounts.

4. *Assigned Fund Bal*ance – Includes amounts intended to be used by the City for specific purposes but are neither restricted nor committed. Intent should be expressed by the City Commission or the City Manager to which the City Commission has delegated authority to assign amounts to be used for specific purposes. The authority for making an assignment is not required to be the City's highest level of decision-making authority. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts classified as committed.

5. *Unassigned Fund Balance* – Includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the City's policy to reduce restricted amounts first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the City's policy to reduce committed amounts first, followed by assigned amounts, and then unassigned amounts.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued)

A brief description of new accounting pronouncements that might have a significant impact on the City's financial statements is presented below. Management is currently evaluating the impact of the adoption of these pronouncements on the City's financial statements.

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures. This Statement will provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A *constraint* is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

This Statement is effective for the fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

In April 2024, the GASB issued Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement is effective for the fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued)

In September 2024, the GASB issued Statement No. 104, Disclosure of Certain Capital Assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Data

Formal budgetary integration is employed as a management control device during the year for the General Fund and the Enterprise Funds. All budgets are legally enacted. The annual appropriated budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles. Except for not budgeting for depreciation, the annual appropriated budgets for the Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles. For budgeting purposes, current year encumbrances are not treated as expenditures.

The following procedures are utilized to establish the annual budget:

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

2. Public hearings are conducted to obtain taxpayer comments.

3. Prior to October 1st, the budget is legally enacted through passage of a resolution.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Budgetary Data (Continued)

4. The City Manager is authorized to transfer budgeted amounts within functional areas (general government, public safety, transportation, and culture and recreation); however, any revisions that alter the total expenditure of the functional area must be approved by the City Commission through a legally enacted resolution.

5. Appropriations along with encumbrances lapse on September 30th.

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide.

The tax levy of the City is established by the City Commission prior to October 1st of each year and the Palm Beach County Property Appraiser incorporates the City's millage into the total tax levy, which includes Palm Beach County, the Palm Beach County School Board, and special district tax requirements. All property is reassessed according to its fair market value on January 1st of each year, which is also the lien date. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all the appropriate requirements of State statutes. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The tax rate for the Palm Beach County Fire/Rescue Municipal Service Taxing Unit (MSTU) is included in the 10 mills. See Note 15. The millage rate assessed by the City for the year ended September 30, 2025, was 6.5419 ($6.5419 for each $1,000 of assessed valuation). The MSTU portion of the City's millage rate was 3.4581 mills.

All taxes are due and payable on November 1st of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1st following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without a discount. Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1st following the tax year, certificates are sold for all delinquent taxes on real property. After the sale, tax certificates bear interest of 18% per year or any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations. At September 30, 2025, unpaid delinquent taxes were not material.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 3 – CASH AND CASH EQUIVALENTS

Deposits with Financial Institutions

In addition to insurance provided by the Federal Depository Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act,* the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or other banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The City's deposits at year end are considered insured for custodial credit risk purposes. At year end, the City's reported amounts were $4,339,884 for Fiscal year 2025 and $5,279,307 for fiscal year 2024.

Investments

Florida Statutes and the City's investment policy authorize the City to invest in the following types of securities:

- The Local Government Surplus Funds Trust Fund.
- Direct obligations of the United States Treasury.
- Interest bearing time deposits (Certificates of Deposit) or savings accounts in Qualified Public Depositories as defined in Florida Statutes.
- Obligations of federal agencies and instrumentalities.
- The Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

The investment policy applies to all funds held by the City in excess of those required to meet current expenses, with the exception of pension fund assets and funds whose uses are restricted by debt covenants or legal, regulatory or other constraints. The State Board of Administration (SBA) administers the Florida PRIME investment pool, which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. The investment in Florida PRIME is reported at amortized cost in accordance with GASB Statement No. 79, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* (GASB 79). The investment in the Florida PRIME is not insured by FDIC or any other governmental agency.

GASB 79 requires that if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."
With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2025, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value in the Florida PRIME.

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

As of September 30, 2025, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value in the Florida PRIME.

The weighted average days to maturity (WAM) of Florida PRIME at September 30, 2025, was 47 days. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of Florida PRIME to interest rate changes.

As of September 30, 2025, the City had the following short-term investments:

Investment Measured at Amortized Cost	WAM	Amount
Florida PRIME	47 days	$ 386,492

The cash and cash equivalents balance as of September 30, 2025, is as follows:

By category:	
Deposits	$ 3,953,392
Petty cash	550
Florida Prime	386,492
Total Cash and Cash Equivalents	$ 4,340,434
Presented in the statement of net position:	
Unrestricted cash and cash equivalents	$ 3,570,848
Restricted cash and cash equivalents	769,587
Total cash and cash equivalents	$ 4,340,434

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The City's investment policies limit its investments to high quality investments to control credit risk. As of September 30, 2025, the SBA Florida PRIME Pool was rated AAA by Standard and Poor's.

Interest Rate Risk

The Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the time to maturity, the greater the interest rate risk. The City's investment policy attempts to match investment maturities with known cash needs and anticipated cash flow requirements to limit interest rate risk. Investments of current operating funds are limited to maturities of no longer than five years. Investments of bond reserves, construction funds, and other non-operating funds shall have a term appropriate to the need for funds, but no longer than ten years.

Concentration of Credit Risk

Concentration on credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. To limit concentration of credit risk, the City's investment policy has established the following maximum limits by instrument:

Florida Prime Instruments	Maximum
Local Government Surplus Funds Trust Fund	75%
Direct Obligations of the U.S. Treasury	75%
Money Market, CD's and Savings Accounts	75%
Other U.S. Government Obligations/Agencies	50%

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable at September 30, 2025, are comprised of the following:

	General Fund	Special Revenues Fund	Capital Projects Fund	Marina and Campground Fund	Cemetery Fund
Billed	$ 3,022	$ -	$ -	$ 500	$ 3,468
Unbilled	328,979	-	-	-	-
Taxes receivable	136,158	32,120		-	-
Due from other governments	82,682	-	413,801	-	-
Subtotal	550,841	32,120	413,801	500	3,468
Less allowance for uncollectable	-	-	-	-	-
Total	$ 550,841	$ 32,120	$ 413,801	$ 500	$ 3,468

The Palm Beach County Water Utility Department (PBCWUD) provides billing and collection services for the City's solid waste collection activities. Amounts collected by the PBCWUD but not yet paid to the City are reported as due from other governments. The amounts are reported net of a one percent administrative fee.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	$ 404,743	$ -	$ -	$ -	$ 404,743
Construction in progress	6,517,509	1,118,177	-	(7,534,120)	101,566
Total not being depreciated	6,922,252	1,118,177	-	(7,534,120)	506,309
Capital assets being depreciated:					
Improvements other than buildings	6,170,995	-	(927,133)	7,473,270	12,717,132
Buildings	5,296,791	-	-	60,850	5,357,641
Equipment	2,021,275	-	-	-	2,021,275
Leased equipment	109,077	5,400	-	-	114,477
Total being depreciated	13,598,138	5,400	(927,133)	7,534,120	20,210,525
Total at historical cost	20,520,390	1,123,577	(927,133)	-	20,716,833
Less accumulated depreciation for:					
Improvements other than buildings	(2,815,510)	(341,258)	-	-	(3,156,768)
Buildings	(4,601,747)	(78,919)	-	-	(4,680,666)
Equipment	(1,989,893)	(22,152)			(2,012,045)
Leased equipment	(24,458)	(18,804)	-	-	(43,262)
Total accumulated depreciation	(9,431,608)	(461,133)	-	-	(9,892,741)
Governmental activities capital assets, net	$ 11,088,782	$ 662,444	$ (927,133)	$ -	$ 10,824,092

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Business-type activities:					
Capital assets not being depreciated:					
Land	$ 98,000	$ -	$ -	$ -	$ 98,000
Total not being depreciated	98,000	-	-	-	98,000
Capital assets being depreciated:					
Improvements other than buildings	9,536,316	927,133	-	-	10,463,449
Buildings	8,170,493	-	-	-	8,170,493
Equipment	163,046	-	-	-	163,046
Total being depreciated	17,869,855	927,133	-	-	18,796,988
Total at historical cost	17,967,855	927,133	-	-	18,894,988
Less accumulated depreciation for:					
Improvements other than buildings	(8,167,922)	(366,643)	-	-	(8,534,565)
Buildings	(3,920,134)	(265,882)	-	-	(4,186,016)
Equipment	(163,046)	-	-	-	(163,046)
Total accumulated depreciation	(12,251,102)	(632,525)	-	-	(12,883,627)
Business-types activities capital assets, net	$ 5,716,753	$ 294,608	$ -	$ -	$ 6,011,361

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

Governmental activities:		
General government		20,869
Public safety		3,743
Transportation		262,956
Culture and recreation		173,565
Total depreciation expense governmental activities	$	461,133
Business-type activities:		
Marina & Campground	$	631,287
Cemetery		1,239
Total depreciation expense business-type activities	$	632,526

NOTE 6 – INTERFUND TRANSACTIONS

The composition of the interfund balances at September 30, 2025, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
Cemetery Fund	Henderson Endowment Fund	$ 20,227

The outstanding balances between funds result primarily from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur; transactions are recorded in the accounting system; and payments between funds are made.

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Marina and Campground Fund	197,470
General Fund	Cemetery Fund	412,370
		$ 609,840

The outstanding balances between funds represent interfund loans to cover operating deficits.

Transfers

Interfund transfers for the year ended September 30, 2025, are as follows:

Transfers Out	Transfer In	Amount
Special Revenues Fund	General Fund	$ 29,000
Special Revenues Fund	Capital Projects Fund	1,494,015
Henderson Endowment Fund	Cemetery Fund	18,263
		$ 1,541,278

NOTE 7 – LONG-TERM LIABILITIES

Governmental Activities

Long-term liabilities of the governmental activities at September 30, 2025, consisted of the following:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
Governmental activities:					
Compensated absences	$ 137,217	$ 9,840	$ -	$ 147,057	$56,260
Net pension liability	158,586	-	(65,941)	92,645	-
OPEB	139,191	298,601	-	437,792	-
Total governmental	$ 434,994	$ 308,441	$ (65,941)	$ 677,494	$ 56,260

Business-Type Activities

Long-term liabilities of the business-type activities at September 30, 2025, consisted of the following:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
Business-type activities:					
Compensated absences	$ 5,011	$ 4,079	$ -	$ 9,090	$ 2,818

The liability for compensated absences, other postemployment benefits, and the net pension liability have been paid out of the fund where the related employees work.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
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NOTE 8 – FLORIDA RETIREMENT SYSTEM

General Information

All full-time employees hired before January 1, 1996, are eligible to participate in the Florida Retirement System (FRS). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the Florida Retirement System Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost sharing multiple-employer defined benefit pension plan, to assist retired members of any state administered retirement system in paying the costs of health insurance.

Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or calling toll free at 877-377-1737. The report is also available at the Florida Department of Management Services web site www.dms.myflorida.com.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (FRSP) and the Florida Retirement System Health Insurance Subsidy Program and additions to/deduction from the FRSP and HIS fiduciary net position have been determined on the same basis as they are reported by FRSP and HIS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

Significant Accounting Policies

PENSION PLAN

Plan Description

The FRS Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class
Special Risk Class
Elected Officials Class
Senior Management Service Class

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service.
Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal year's earnings. The total percentage value of the benefit received is determined by calculating the total value of all services, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The following table shows the percentage value for each year of service credit earned:

Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60%
Retirement at age 63 or with 31 years of service	1.63%
Retirement at age 64 or with 32 years of service	1.65%

Retirement at age 65 or with 33 or more years of service	1.68%
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60%
Retirement at age 66 or with 34 years of service	1.63%
Retirement at age 67 or with 35 years of service	1.65%
Retirement at age 68 or with 36 or more years of service	1.68%
Special Risk Class	
Service from December 1, 1970, through September 30, 1974,	2.00%
Service on or after October 1, 1974,	3.00%
Elected Officials Class	3.00%
Senior Management Service Class	2.00%

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011 will not have a cost-of-living adjustment after retirement.

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1st of each year. The employer contribution rates by job class for the fiscal year ended September 30, 2025, were as follows:

Class	10/01/24 through 06/30/25	07/01/25 through 09/30/25
Regular Class	13.63%	14.03%
Senior Management Service Class	34.52%	33.24%
Special Risk Class	32.79%	35.19%
DROP	21.13%	22.02%

The employer contribution rates include a 2.00% HIS Plan subsidy and a 0.06% administrative and educational assessment, as applicable. The DROP rate includes the applicable HIS and UAL contributions; the administrative and educational assessment does not apply to DROP participants.

For the fiscal year ending September 30, 2025, the City made contributions of $28,005 to the Pension Plan and the City's employees made contributions of 4,329, for total contributions of $32,334.

CITY OF PAHOKEE, FLORIDA
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September 30, 2025

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

At September 30, 2025, the City reported a liability of $62,727 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on the City's 2024-2025 fiscal year contributions relative to the 2023-2024 fiscal year contributions of all participating members. At June 30, 2025, the City's proportionate share was 0.000202116 percent, which was a decrease of 0.000020778 percent from its proportionate share measured as of June 30, 2024. For the fiscal year ended September 30, 2025, the City recognized pension expense of $7,515 related to the Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions on the following page from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 6,700	$ -
Change of assumptions	7,284	-
Net difference between projected and actual earnings of Pension Plan investments	-	(10,473)
Change in proportion and differences between City Pension Plan contributions and proportionate share of contributions	10,457	(7,007)
Organization contributions subsequent to measurement date	12,068	
	$ 36,509	$ (17,480)

The deferred outflows of resources related to the Pension Plan, totaling $7,992 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

CITY OF PAHOKEE, FLORIDA
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Fiscal Year Ending September 30	Amount
2026	$20,155
2027	(3,581)
2028	(5,359)
2029	(4,253)
Thereafter	-
	$ 6,962

Actuarial Assumptions

The total pension liability on June 30, 2025, actuarial valuation was determined using the following actuarial assumptions:

Valuation date	July 1, 2025
Measurement date	June 30, 2025
Inflation	2.40 %
Salary increases	3.50%, average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation
Mortality	Generational pub-2010, projected using MP-2021
Actuarial cost method	Individual Entry Age

The FRS Pension Plan assumptions are based on the FRS experience study for July 1, 2018 through June 30, 2023, completed in 2024.

The long-term expected rate of return on Pension Plan investments was not based on historical returns but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate (Property)	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Assumed Inflation - Mean			2.4%	1.4%

(1) As outlined in the Pension Plan's investment policy

Discount Rate

The long-term expected rate of return assumption of 6.70% used in the discount rate calculations consists of two building block components: 1) a real (in excess of inflation) return of 4.3%, consistent with the currently articulated real return target in the current Florida State Board of Administration's investment policy, developed using capital market assumptions calculated by Aon Hewitt Investment Consulting; 2) a long-term average annual inflation assumption of 2.4% as most recently adopted in October 2018 by the FRS Actuarial Assumption Conference. The discount rate of 6.70% used for the net pension liability calculations differs from the 7.50% investment rate of return chosen by the FRS Actuarial Assumptions Conference used for funding policy.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

Asset Class	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
City's proportionate share of the net pension liability	$ 66,302	$ 62,727	$ 67,557

Pension Plan Fiduciary Net Position

Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payable to the Pension Plan

On September 30, 2025, the City reported no payable for outstanding contributions to the Pension Plan.

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM

Plan Description

The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by the required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the HIS contribution was 1.66%. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The City's contributions to the HIS Plan totaled $2,086 for the fiscal year ended September 30, 2025.

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

At September 30, 2025, the City reported a liability of $29,918 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on the City's 2024-2025 fiscal year contributions relative to the 2023-2024 fiscal year contributions of all participating members.

At June 30, 2025, the City's proportionate share was 0.000233415 percent, which was an increase of 0.0233042878 percent from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the City recognized a pension income of $2,057. In addition, the City reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

CITY OF PAHOKEE, FLORIDA
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Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 179	$ 47
Change in assumptions	265	7,236
Net difference between projected and actual earnings on pension plan investments	-	25
Change in proportion and differences between City pension plan contributions and proportionate share of contributions	23,753	37,421
Organization contributions subsequent to measurement date	2,086	
	$ 26,283	$ 44,729

The deferred outflows of resources related to the HIS Plan, totaling $743 resulting from City contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2026	(4,530)
2027	(5,423)
2028	(4,566)
2029	(3,659)
Thereafter	(2,355)
	$ (20,533)

Actuarial Assumptions

The total pension liability in the July 1, 2025, actuarial valuation was determined using the following actuarial assumptions:

Valuation date	July 1, 2025
Measurement date	June 30, 2025
Inflation	2.40 %
Salary increases	3.50%, average, including inflation
Municipal bond rate	5.20%
Investment rate of return	N/A
Mortality	PUB-2010-based-assumptions
Actuarial cost method	Individual Entry Age

The actuarial assumptions used in the July 1, 2025, valuation was based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

Discount Rate

The discount rate used to measure the total pension liability was 5.20%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current rate:

Asset Class	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
City's proportionate share of the net pension liability	$ 30,711	$ 29,918	$ 31,773

Pension Plan Fiduciary Net Position

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan

At September 30, 2025, the City reported no payable for outstanding contributions to the HIS Plan.

The following table provides a summary of significant information related to the Florida Retirement System defined benefit plans for the year ended September 30, 2025:

Description	Pension Plan	HIS Program	Total
Total pension liability	$ 492,396	$ 31,949	$ 524,345
Plan fiduciary net position	429,669	2,031	431,700
Net pension liability	62,727	29,918	92,645
Deferred outflows of resources	36,509	26,283	62,792
Deferred inflows of resources	(17,480)	44,729	27,249
Pension expense	7,515	(2,057)	5,458

NOTE 9 – GENERAL EMPLOYEES' RETIREMENT PLAN

The General Employees Retirement Plan (the "Plan") is a single employer defined contribution pension plan established by the City to provide retirement and death benefits to general employees hired on or after January 1, 1996. A defined contribution pension plan has terms that specify how contributions to an individual's account are to be determined rather than the amount of pension benefits the individual is to receive. In a defined contribution plan, the pension benefits a participant will receive depend only on the amount contributed to the participant's account, earnings on investments of these contributions, and forfeitures of other participant's benefits that may be allocated to the participant's account. Under the terms of the Plan agreement, all forfeitures shall be used to reduce the employer's contributions.

Vesting commences at a rate of 20% each year until the employee is fully vested after five years. Credited service begins with the first day of the month coinciding with or the next day following six months of service. Plan provisions and contribution requirements are established and may be amended by the City Commission.

The City is required to contribute 3% of the covered compensation. Plan members are not allowed to contribute to the Plan. However, if Plan members contribute 3% of compensation to the Internal Revenue Code Section 457 Deferred Compensation Plan (see Note 10), the City will make a matching contribution of 4.35% to the General Employees' Retirement Plan. For the year ended September 30, 2025, the City recognized pension expense of $33,215 for the General Employees' Retirement Plan. At September 30, 2025, the City reported no payable for outstanding contributions to the Plan.

The Plan is administered by the Florida League of Cities, which provides various investment alternatives. Participants direct the allocation of contributions to investment alternatives offered under the Plan. Because the City does not hold or administer funds for the Plan, the Plan does not meet the criteria for inclusion in the City's financial statements as a fiduciary fund.

NOTE 10 – DEFERRED COMPENSATION PLAN

Employees of the City of Pahokee may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the City. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. Valic, Inc. administers the deferred compensation plan.

On December 15, 1998, the Deferred Compensation Plan was amended to conform with the changes in the Internal Revenue Code brought about by the Small Business Job Protection Act of 1996 (the "Act"). The Act requires that eligible deferred compensation plans established and maintained by governmental employers be amended to provide that all assets of the plan be held in trust, or under one or more appropriate annuity contracts or custodial accounts, for the exclusive benefit of plan participants and their beneficiaries. As a result of this change, plan assets will no longer be subject to the claims of the City's general creditors.

Because the City has little administrative involvement and does not perform the investing function for funds in the Pinnacle Associates Plan, the City's activities do not meet the criteria for inclusion in the fiduciary funds of a government.

NOTE 11 – PROPRIETARY NET POSITION

As of September 30, 2025, the Marina and Campground Enterprise Fund reported a positive net position of $5,242,927 and as a change in net position of $162,671 after a capital contribution of $927,133. The Cemetery Enterprise Fund reported a loss of ($58,954) in total net position, and a deficit of $20,265 as a change in net position.

NOTE 12 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. The City has not significantly reduced insurance coverage from the prior year, and there were no settled claims which exceeded insurance coverage during the past three fiscal years.

Florida Statues limit the City's maximum loss for most liability claims to $200,000 per person and $300,000 per occurrence under the Doctrine of Sovereign Immunity. However, under certain circumstances, a plaintiff can seek to recover damages in excess of statutory limits by introducing a claims bill to the Florida Legislature. The limits addressed in Florida Statutes do not apply to claims filed in Federal courts.

NOTE 13 – LITIGATION CONTINGENCIES

The City is involved in various litigations and claims arising in the course of operations. It is the opinion of legal counsel that the likelihood of unfavorable outcome and the amounts of potential losses cannot be reasonably determined at this time. Accordingly, no provision for any liability that may result has been made in the accompanying financial statements.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 14 – COMMITMENTS

Palm Beach County Fire Rescue Services Interlocal Agreement

On September 12, 2006, the City entered into a 10-year inter-local agreement with Palm Beach County to provide fire suppression, emergency medical services, special operations, hazardous materials response and mitigation, emergency communications, confined space rescue, dive rescue, fire code inspections, arson investigation, new construction inspection, community education programs, and all other emergency and non-emergency services to the City of Pahokee commencing October 1, 2006. Under the terms of the Agreement, the City transferred all the City's fire rescue apparatus and related equipment, to Palm Beach County Fire Rescue on October 1, 2006.

The costs of the services under the Agreement are to be funded through the Fire/Rescue MSTU pursuant to ordinances adopted by the County and the City providing for the inclusion of the City into the Fire/Rescue MSTU. It is anticipated that the County Fire/Rescue dispatch and related communication services to the City will be funded from countywide ad valorem tax revenues through the Countywide Common Dispatch program offered by the County to any fire-rescue providers that desire these services. If the County's ability to fund the dispatch and related communication services from non-MSTU revenues is eliminated for any reason, then the County may fund these dispatch and related services to the City through the Fire/Rescue MSTU. The tax rate for the MSTU is included in the 10 mills the City is legally allowed to assess. For the fiscal year ended September 30, 2025, the MSTU portion of the City's millage rate was 3.4581 mills.

Should the City for any reason no longer be included in the Fire/Rescue MSTU during the term of the Agreement, the City shall pay the County an annual, or prorated, contract amount equal to the value of taxable property within the incorporated boundaries of the City multiplied by the Fire/Rescue MSTU millage rate.

As part of the Agreement, the City agreed to lease the building and surrounding property known as the Pahokee Fire Station to the County for its use as a fire station for the sum of one dollar per year for a period of ten years commencing on October 1, 2006.

The City entered into an inter-local agreement with the Palm Beach County Sheriff's Office to provide law enforcement services commencing February 12, 2006, and ending September 30, 2008. The agreement was later amended to extend the contract through September 30, 2009. On July 12, 2020, the City approved the eleventh addendum to the agreement extending the agreement through September 30, 2025. The contractual cost for the year ended September 30, 2025, was $611,939.

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

NOTE 15 – SPECIAL ENDOWMENT

On October 12, 1999, the Port Mayaca Cemetery received $875,000 from an estate. The bequest was intended as a permanent endowment for the cemetery. All earnings on the principal amount can be used by the cemetery for the upkeep, maintenance, and beautification of the cemetery. In addition, the cemetery is allowed to borrow up to $100,000 to purchase equipment or to make improvements to the cemetery. Any amount borrowed must be paid back into the endowment over a period not to exceed seven years.

The City has established a permanent fund to account for the endowment principal, investment earnings, and transfers to the Cemetery Fund for upkeep, maintenance, and beautification of the cemetery. During the fiscal year ended September 30, 2025, the permanent fund transferred $18,263 to the Cemetery Fund.

NOTE 16 – OTHER POSTEMPLOYMENT BENEFITS

In June 2015, GASB released GASB Statement No. 75 which replaces the accounting standards for other post-employment benefits (OPEB) for employer accounting. This standard will be applied to post employment medical benefits that are provided to the City's retirees. Prior to the GASB No. 75, benefits were accounted for under GASB No. 45.

Under GASB No. 45, the net OPEB obligation was a liability of the City. Under GASB No. 75, the entire unfunded actuarial accrued liability is now reported on the financial statements. There is no longer a net OPEB obligation. The annual expense is equal to the increase (decrease) in the funded actuarial accrued liability. To minimize expense volatility, some of the increase (decrease) is deferred.

Plan Description

The City provides a single employer defined benefit health care plan to all of its employees. The plan allows its employees and their beneficiaries to continue to obtain health benefits upon retirement. The normal retirement age for City employees is age 62 for employees enrolled in the retirement plan before July 1, 2011 and age 65 for employees enrolled in the retirement plan after July 1, 2011. The benefits of the plan are in accordance with Florida Statutes, which are the legal authority for the plan. The plan has no assets and does not issue a separate financial report.

Funding Policy

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

Plan membership

Based on the actuarial valuation results as of September 30, 2023, the number of participants included in the plan is as follows:

Retired participants	17
Active employees	16
Total	33

Actuarial Methods and Assumptions

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

Actuarial valuation date	September 30, 2023
Actuarial cost method	Entry Age Normal (Alternative Measurement Method)
Amortization method	Level Dollar - Open
Amortization period	30-year closed period
Asset valuation method	Not Applicable
Actuarial assumptions:	
Discount rate	4.87%
Healthcare cost trend	Based on the SOA-Getzen Model (2023 update), trending down to 5.0% over the long term.
Mortality	RP-2014 Total Dataset Mortality Table with MP-2021 improvement scale for males and females.

Change in Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of 9/30/2022	151,827	-	151,827
Service Cost	9,091	-	9,091
Interest on Total OPEB Liability	3,910	-	3,910
Difference Between Expected and Actual Experience	164,828		164,828
Changes of Assumptions and Other Inputs	280,507		280,507
Other Changes	(7,543)	-	(7,543)
Net Changes	272,964	-	272,964
Balances as of 9/30/2023	437,792	-	437,792

CITY OF PAHOKEE, FLORIDA
Notes to Financial Statements
September 30, 2025

Sensitivity of Net OPEB Liability

The following table presents the net OPEB liability, using a discount rate and health care cost trend rate that is 1-percentage point lower and 1-percentage point higher:

	1% Decrease	Current Discount Rate	1% Increase
Discount rate	3.87%	4.87%	5.87%
Total OPEB Liability	$ 536,155	$ 437,791	$ 361,127

Discount Rate

The City does not have a dedicated Trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/ Aa or higher (or equivalent quality on another rating scale). A rate of 4.87% is used, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of September 30, 2023.

OPEB Expense

Service Cost	$ 9,091
Total OPEB Liability (TOL)	3,910
Interest Cost	-
Recognized Experience Gains/Losses	(1,774)
Changes of Assumptions and Other Inputs	29,359
Total	$ 40,586

Schedule of Deferred Inflows and Outflows of Resources

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,774
Changes of assumptions	29,359	-
Net difference between projected and actual earnings	-	-
Employer contribution subsequent to measurement date	$ 29,359	$ 1,774

The deferred outflows and deferred inflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan are as follows:

Fiscal Year Ending September 30	Outflows	Inflows
2024	$ 4,893	$ (296)
2025	4,893	(296)
2026	4,893	(296)
2027	4,893	(296)
2028	4,893	(296)
2029	4,894	(294)
	$ 29,359	$ (1,774)

NOTE 17 – OPERATING LEASES

Effective October 1, 2021, the City implemented GASB 87 Leases. There was no change in the beginning net position / fund balance due to the implementation, and no restatement was required.

Everglades Preparatory Academy

In March 2007, the City entered into an agreement with Everglades Preparatory Academy, Inc. (Everglades) to lease certain facilities at the Old Pahokee High School to Everglades. The term of the lease was for a 10-year period commencing on May 1, 2007, with an option to renew for an additional 10-year term. In 2017, Everglades exercised its option to renew the lease. Total lease payments received under the lease during the fiscal year ended September 30, 2025, were $33,349.

The General Fund's amortization lease payments receivable as of September 30, 2025, are as follows:

Fiscal Year Ending	Prinicipal	Interest	Total
2026	35,334	1,044	36,378
2027	21,100	182	21,282
	$ 56,434	$ 1,226	$ 57,660

Lutheran Services Florida

In June 2025, the City entered into an agreement with Lutheran Services Florida, Inc. (Lutheran) to lease to Lutheran a building and various other improvements located at 380 East Dr. Martin Luther King Jr. Boulevard to Lutheran. The lease term was for a 5-year period, with an option to renew for an additional 5-year lease term. Lutheran also has the right to terminate the lease for any reason upon 120 days prior written notice to the City. Total lease payments received under the lease during the fiscal year ended September 30, 2025, were $15,951.

Fiscal Year Ending	Prinicipal	Total
2026	30,000	30,000
2027	30,000	30,000
2028	30,000	30,000
2029	30,000	30,000
2030	30,000	30,000
	$ 150,000	$ 150,000

Metro PCS

In April 2005 the City entered into an agreement with MetroPCS California/Florida, Inc. (Metro PCS) to lease land consisting of approximately 180 square feet located at 335 Muck City Road to Metro PCS for use as a personal communications service system. The lease term was for a 5-year period commencing on April 29, 2005. The agreement will be automatically renewed for four additional terms of 5 years each unless Metro PCS provides the City notice of intention not to renew not less than 90 days prior to the expiration of any renewal term. Total lease payments received under the lease during the fiscal year ended September 30, 2025, were $25,062. As of September 30, 2025, the cost of the land under the operating lease was approximately $81.

The General Fund's amortization lease payments receivable as of September 30, 2025, are as follows:

Fiscal Year Ending	Prinicipal	Interest	Total
2026	$ 24,322	$ 3,108	$ 27,430
2027	25,832	2,421	28,253
2028	27,408	1,693	29,101
2029	29,054	920	29,974
2030	17,625	162	17,787
	$ 124,241	$ 8,304	$ 132,545

NOTE 18 – SUBSEQUENT EVENT

Management has evaluated significant subsequent events through September 28, 2026, the date the financial statements available to be issued to determine if events or transactions require potential adjustment to or disclosure in the financial statements. Management has not found anything to be reported.

Required Supplementary Information

CITY OF PAHOKEE, FLORIDA
Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	$ 2,184,251	$ 2,184,251	$ 1,479,132	$ (705,119)
Licenses and permits	1,110,050	1,110,050	430,688	$ (679,362)
Intergovernmental	313,774	313,774	1,297,373	$ 983,599
Charges for services	734,920	734,920	887,187	$ 152,267
Fines and forfeitures	82,000	82,000	159,548	$ 77,548
Investment income	122,850	122,850	34,929	$ (87,921)
Lease and Rental Revenue	-	-	94,176	$ 94,176
Miscellaneous	891,063	891,063	37,806	$ (853,257)
Total revenues	5,438,908	5,438,908	4,420,839	(1,018,069)
Expenditures:				
Current:				
General government	1,862,939	1,862,939	1,594,517	268,422
Public safety	630,000	630,000	960,773	(330,773)
Transportation	1,019,841	1,019,841	759,775	260,066
Culture and recreation	722,932	722,932	777,930	(54,998)
Physical environment	510,000	510,000	660,268	(150,268)
Other sources	98,325	98,325	-	98,325
Total expenditures	4,844,037	4,844,037	4,753,263	90,774
Excess of revenues over expenditures	594,871	594,871	(332,424)	(927,295)
Other financing sources (uses):				
Operating transfer out	(183,595)	(183,595)	29,000	212,595
Sale of assets	-	-	-	-
Total other financing sources (uses):	(183,595)	(183,595)	29,000	212,595
Net change in fund balance	$ 411,276	$ 411,276	(303,424)	$ (714,700)
Fund balance, beginning of year			3,155,305	
Fund balance, end of year			$ 2,851,881	

See notes to the budgetary required supplementary information

CITY OF PAHOKEE, FLORIDA
Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenues Fund
For the Fiscal Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	$ 867,000	$ 867,000	$ 546,756	$ (320,244)
Intergovernmental	-	-	127,433	127,433
Total revenues	867,000	867,000	674,189	(192,811)
Expenditures:				
Current:				
General government	-	-	27,300	(27,300)
Culture and recreation	-	-		-
Capital Outlay	867,000	867,000	60,850	806,150
Total expenditures	867,000	867,000	88,150	778,850
Excess of revenues over expenditures	-	-	586,039	586,039
Other financing sources (uses):				
Operating transfer in/(out)	(135,234)	(135,234)	(1,523,015)	(1,387,781)
Total other financing sources (uses):	(135,234)	(135,234)	(1,523,015)	(1,387,781)
Net change in fund balance	$ (135,234)	$ (135,234)	(936,976)	$ (801,742)
Fund balance, beginning of year			1,494,184	
Fund balance, end of year			$ 557,208	

See notes to the budgetary required supplementary information

CITY OF PAHOKEE, FLORIDA
Notes to the Budgetary Required Supplementary Information
For the Fiscal Year Ended September 30, 2025

Note 1 - Basis of Accounting

A budgetary comparison schedule is presented for the General Fund and the major Special revenue Fund, as required by generally accepted accounting principles. The procedures for establishing budgetary data reflected in the budgetary comparison schedule are described in Note 2 to the financial statements. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Note 2 - Stewardship, Compliance, and Accountability

Formal budgetary integration is employed within the accounting system as a management control device. Appropriations are legally controlled at the functional area level and expenditures may not legally exceed budgeted appropriations at that level.

CITY OF PAHOKEE, FLORIDA
Required Supplementary Information
Schedule for Funding Progress
Other Postemployment Benefits
For the Fiscal Year Ended September 30, 2025

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age(1) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/2012	$ -	$ 89,191	$ 89,191	$ -	N/A	N/A
10/1/2015	-	84,708	84,708	-	1,182,214	7.17%
10/1/2017	-	88,987	88,987	-	1,428,366	6.23%
10/1/2018	-	96,173	96,173	-	1,428,366	6.73%
10/1/2020	-	139,191	139,191	-	1,017,696	13.68%
9/30/2023	-	437,791	437,791	-	N/A	N/A

The schedule of funding progress presented above will present multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The City implemented GASB 75 beginning with the fiscal year ended September 30, 2018, replacing GASB 45, therefore, trend information prior to GASB 75 implementation is not presented. Under GASB 75, the City is required to obtain an actuarial valuation at least every two years. The most recent valuation was completed as of September 30, 2023. As additional GASB 75 valuations are completed, required trend data will be presented.

CITY OF PAHOKEE, FLORIDA
Required Supplementary Information
Schedule for Employer Contributions
Florida Retirement System
Pension Plan

Last 10 Fiscal Years*

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	$ 5,217	$ 5,382	$ 5,868	$ 5,257	$ 5,841	$ 6,103	$ 6,172	$ 10,203	$ 12,622	$ 28,005
Contribution in relation to the contractually required contribution	5,217	5,382	5,868	5,257	5,841	6,103	6,172	10,203	12,622	28,005
City's covered-employee payroll	87,507	92,780	110,573	104,500	110,536	63,383	63,383	63,383	99,458	144,292
Contribution as a percentage of covered-employee payroll	5.96%	5.80%	5.31%	5.03%	5.28%	9.63%	9.74%	16.10%	12.69%	19.41%

CITY OF PAHOKEE, FLORIDA
Required Supplementary Information
Schedule for Proportionate Share of Net Pension Liability
Florida Retirement System
Pension Plan

Last Ten Fiscal Years*

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City's proportion of the net pension liability (asset)	0.000213941%	0.000206741%	0.000205914%	0.000169532%	0.000175806%	0.000160215%	0.000144630%	0.000212082%	0.000222894%	0.000202116%
City's proportion share of the net pension liability (asset)	$ 54,020	$ 61,174	$ 62,023	$ 58,383	$ 76,197	$ 12,102	$ 53,814	$ 53,814	$ 86,226	$ 62,727
City's covered-employee payroll	92,780	110,573	104,500	110,536	63,383	63,383	63,383	63,383	99,458	144,292
City's proportion share of the net pension liability (asset) as a percentage of its covered-employee payroll	58.22%	55.32%	59.35%	52.82%	120.22%	19.09%	84.90%	84.90%	86.70%	43.47%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	83.89%	83.70%	82.61%	78.85%	96.40%	82.38%	82.38%	83.70%	82.33%

CITY OF PAHOKEE, FLORIDA
Required Supplementary Information
Schedule for Employer Contribution
Florida Retirement System
Retiree Health Insurance Subsidy Program

Last Ten Fiscal Years*

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	$ 1,453	$ 1,541	$ 1,571	$ 1,644	$ 1,761	$ 1,325	$ 1,126	$ 2,448	$ 4,048	$ 2,086
Contribution in relation to the contractually required contribution	1,453	1,541	1,571	1,644	1,761	1,325	1,126	2,448	4,048	2,086
City's covered-employee payroll	92,780	110,573	104,500	104,500	63,383	63,383	63,383	63,383	99,458	144,292
Contribution as a percentage of covered-employee payroll	1.6%	1.4%	1.5%	1.6%	2.8%	2.1%	1.8%	3.9%	4.1%	1.4%

CITY OF PAHOKEE, FLORIDA
Required Supplementary Information
Schedule for Proportionate Share of Net Pension Liability
Florida Retirement System
Retiree Health Insurance Subsidy Program

Last Ten Fiscal Years*

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City's proportion of the net pension liability (asset)	0.041674824%	0.042122000%	0.044162719%	0.045544109%	0.000076570%	0.000074857%	0.000074857%	0.000372122%	0.000048237%	0.000233415%
City's proportion share of the net pension liability (asset)	$ 35,422	$ 31,124	$ 30,668	$ 33,121	$ 37,319	$ 27,650	$ 19,707	$ 19,707	$ 72,360	$ 29,918
City's covered-employee payroll	92,780	110,573	104,500	110,536	63,383	63,383	63,383	63,383	99,458	144,292
City's proportion share of the net pension liability (asset) as a percentage of its covered-employee payroll	38.18%	28.15%	29.35%	29.96%	58.88%	43.62%	31.09%	31.09%	72.75%	20.73%
Plan fiduciary net position as a percentage of the total pension liability	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.81%	4.80%	6.36%

Compliance Section

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

To The Honorable Mayor and Members of the City Council
City of Pahokee, Florida
Pahokee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund information of the City of Pahokee, Florida (the "City"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 28, 2026.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of audit findings as items 2025-05, 2025-10, 2025-11, 2010-01, 2015-01, and 2016-01 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of audit findings as items 2024-01, 2025-01, 2025-02, 2025-03, 2025-04, 2025-06, 2025-07, 2025-08 and 2025-09 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of audit findings as items 2014-04 and 2017-01.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HCT Certified Public Accountants & Consultants, LLC
Hollywood, Florida
September 28, 2026

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

I. Summary of Independent Auditor's Results

Financial Statements

Type of report the auditor issued:

Opinion Unit	Type of Opinion
Governmental Activities	
General Fund	Unmodified
Henderson Endowment Fund	Unmodified
Special Revenues Fund	Unmodified
Capital Projects Fund	Unmodified
Business-Type Activities	
Marina and Campground Fund	Qualified
Cemetery Fund	Qualified

Internal control over financial reporting:

- Material weakness(es) identified? __X__ yes ___ no
- Significant deficiency(s) __X__ yes ____ none reported

Noncompliance material to financial statements noted? __X__ yes ____ no

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

II. Financial Statement Findings

A. Current Year Findings

2025-01- Trial Balance Preparation- Significant Deficiency

Audit Finding
Lack of adequate internal controls over the preparation and review of the trial balance.

Condition
The trial balance initially provided by the City did not balance and did not contain the complete detail necessary to support the financial statement audit. The revised trial balance identified inconsistencies in the presentation of account balances. Specifically, certain liability and revenue balances were presented using debit/credit signs that were inconsistent with their normal account classification, resulting in the trial balance being out of balance.

Effect
An inaccurate or incomplete trial balance also increases the risk that errors or inconsistencies in the City's accounting records may not be identified timely and may result in inaccurate financial reporting if not detected and corrected through other procedures.

Cause
The condition appears to have resulted from limitations in the City's trial balance reporting and review process. The initial report parameters did not produce the detailed revenue and expenditure activity expected by the City, resulting in a report containing system-generated control accounts rather than the underlying operating statement accounts. Additionally, the trial balance preparation and review process did not identify that certain account balances were being presented with inconsistent debit and credit signs or that the resulting trial balance was out of balance.

Criteria
A trial balance used for financial reporting and audit purposes should be complete, accurate, and mathematically balanced, with total debit balances equal to total credit balances. Account balances should also be presented consistently with their appropriate debit or credit classification.

Management should have processes in place to review the trial balance and related report parameters to ensure that the report contains the appropriate accounts and activity and that any differences or unusual account presentations are identified and resolved before the trial balance is used for financial reporting or provided to the auditors.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Recommendation

We recommend that management strengthen its process for preparing and reviewing trial balance reports prior to providing them for financial reporting and audit purposes.
Specifically, management should:

- Verify that the report parameters selected in the City's accounting system capture all required balance sheet and operating statement accounts and activity, including the detailed revenue and expenditure accounts underlying any system-generated control accounts.
- Review the trial balance to ensure that all account balances are presented using the appropriate debit or credit sign based on the nature of the account.
- Reconcile total debits to total credits and investigate any imbalance before the trial balance is finalized.
- Perform and document a management review of the final trial balance to confirm that it is complete, accurate, and suitable for use in the preparation of the financial statements and audit.

Views of responsible officials and planned corrective actions:

Management does not concur with the finding as currently written. The City provided the fund-level trial balance generated directly from Black Mountain without manual alteration. The report presents balance sheet accounts and system-generated revenue and expenditure control accounts rather than individual revenue and expenditure accounts. The City subsequently provided the supplemental account detail, which reconciled to those control accounts.

Management requests that HCT evaluate the complete submission and identify any remaining imbalance, omitted account, or sign inconsistency. The finding should distinguish limitations in system-generated report presentation from any demonstrated deficiency in the underlying records or management review. Finance will retain the system report, supplemental detail, control-account reconciliation, and documented review together for future audit submissions

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025-02- No supervisory bank reconciliations review performed- Significant Deficiency

Audit Findings
We noted no oversight or review procedures over the bank reconciliation process.

Condition
During the period October 2024 through September 2025, the city did not complete its monthly bank reconciliations on a timely basis. In addition, there was no documentation process for the review and approval of completed bank reconciliations. We noted that bank reconciliations did not contain evidence of supervisory review, such as a reviewer's signature or documented approval. As a result, the City did not have sufficient monitoring controls to ensure that bank reconciliations were prepared, reviewed and completed in a timely manner.

Criteria
Effective internal control over cash requires bank accounts to be reconciled timely and reviewed by an individual independent of the reconciliation preparation process. The reconciliation should be reviewed and approved by appropriate management, with evidence of the review retained. Policies and procedures should establish responsibility for preparing and reviewing bank reconciliations and specify the required time frame for completion following month-end.

Cause
This condition was primarily caused by the staff turnover within the City's financial services department and insufficient oversight by the former finance director. The city did not have a written policy establishing a required time frame for completion of monthly bank reconciliations or a formal process for their review and approval. Consequently, delays in completing bank reconciliations were not identified and addressed timely.

Effect
The lack of timely preparation and documented review of bank reconciliations increases the risk that errors, unauthorized transactions, or other irregularities affecting cash balances may not be identified and corrected timely. Because bank reconciliation are a key internal control over cash, the absence of an effective reconciliation and review process reduced management's ability to detect and correct potential misstatements in a timely manner and represents a deficiency in the City's internal control over cash.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Recommendation
We recommend that the City establish and implement a formal bank reconciliation policy and procedures that:

- Require all bank accounts to be reconciled within a specified number of days after month-end.
- Clearly assign responsibility for preparing and reviewing bank reconciliations.
- Require an individual independent of the preparation process to review and approve each reconciliation.
- Require documented evidence of review and approval, such as the reviewer's signature and date.
- Establish a process for monitoring outstanding overdue reconciliations and ensuring time resolution.
- Provide appropriate supervisory oversight to ensure compliance with the policy and procedures.

Management should also consider periodically reviewing the bank reconciliation process to ensure the controls are operating effectively and consistently.

Views of responsible officials and planned corrective actions:
Management acknowledges the need for timely preparation and documented independent review of bank reconciliations. The City's corrective-action work includes reconciliation requirements and month-end closing procedures. Management will establish preparation and review responsibilities, completion deadlines, and monitoring of overdue reconciliations. An individual independent of preparation will document review and follow-up on significant or outstanding reconciling items. Where staffing limits segregation of duties, management will designate and document an appropriate compensating review.

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025- 03- Documentation of Review Processes- Significant Deficiency

Audit Findings
Lack of oversight by management of weekly and monthly processes. No documentation on current financial system workflow or reporting procedures.

Condition
During our audit, we noted that the City does not have sufficiently documented procedures governing its weekly and monthly financial processes. There was no documented evidence of management review or oversight for certain recurring financial activities. In addition, the City has not maintained current documentation of its financial system, workflow, reporting procedures, or the controls in place over the preparation and review of financial reports.
The lack of documented procedures and evidence of review makes it difficult to demonstrate that key financial processes are consistently performed and appropriately monitored.

Criteria
Effective internal control requires management to establish and maintain documented policies and procedures for significant financial processes. These procedures should clearly identify responsibilities, required review and approval activities, and the appropriate workflow for processing in reporting financial information. Management should also maintain evidence that key controls and review procedures have been performed.

Cause
The condition was caused by lack of formalized documentation and oversight over the City's financial process. Management had not established a comprehensive process for documenting current financial system workflows, recurring weekly and monthly procedures, reporting responsibilities, and required management review. In addition, management review activities were not consistently documented to demonstrate that appropriate oversight had occurred.

Effect
The absence of documented procedures and management review increased the risk that financial processes may not be performed consistently and that errors, omissions, or inaccurate financial information, may not be identified and corrected timely. It also created a risk that key processes may depend on the knowledge of individual employees, particularly during staff turnover or changes in personnel. Without documented workflows, and evidence of review, management has limited ability to demonstrate that financial reporting controls are operating effectively.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Recommendation

We recommend that the City develop, document, and implement formal procedures for its significant weekly and monthly financial processes. At a minimum, the city should:

- Document the current financial system workflow, including key processing and reporting steps.
- Establish written procedures for recurring weekly and monthly financial activities.
- Clearly identify the employee responsible for preparing, reviewing, and approving each significant financial process.
- Establish required management review procedures for financial reports and other significant activities.
- Require documented evidence of review and approval, including reviewer initials/signature and date, as appropriate.
- Periodically review and update the procedures to ensure they accurately reflect the City's current financial system and operations.

Management should also consider maintaining a centralized procedures manual or process documentation repository to promote consistency and facilitate continuity when staff responsibilities change.

Views of responsible officials and planned corrective actions:

Management acknowledges the need to document recurring financial procedures and retain evidence of supervisory review. The City's corrective-action work includes the development of financial workflows, procedures, and training materials. Management will confirm that these materials reflect current operations and identify preparation, review, and approval responsibilities. Current approved procedures and forms will be maintained in a central repository, and evidence of required reviews will be retained. Procedures will be updated as systems, staffing, or responsibilities change.

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025- 04- Year-End Processes and Procedures- Significant Deficiency

Audit Findings
Lack of documented year-end processes and procedures, resulting in multiple adjustments to the trial balance.

Condition
During our audit, we noted that the City does not have sufficient documented year-end closing processes and procedures to ensure that its accounting records are complete and accurate prior to the commencement of the annual audit.

Several account balances were not reconciled to their supporting subsidiary ledgers or other underlying documentation during the year or at year-end. As a result, multiple adjustments to the City's trial balance were required during the audit to properly state account balances and financial activity.

Criteria
Effective accounting and internal control processes require management to establish and implement formal year-end closing procedures to ensure that the financial records are complete, accurate, and properly supported prior to the commencement of the annual audit. Significant general ledger account balances should be reconciled to subsidiary ledgers and supporting documentation on a timely basis, including at year-end, and differences should be investigated and resolved promptly.

Cause
The condition was caused by the absence of sufficiently documented and consistently implemented year-end closing procedures. The City had not established a formal year-end close process that clearly identifies required reconciliations, review procedures, supporting documentation, responsibilities, and deadlines. In addition, certain account reconciliations were not performed consistently throughout the year or at year-end, resulting in account balances that had not been adequately reviewed and supported before the audit began.

Effect
The lack of effective year-end closing procedures and timely account reconciliations increases the risk that errors, omissions, or misstatements in the City's accounting records may not be identified and corrected prior to the preparation of the financial statements. The condition resulted in multiple audit adjustments being necessary to the trial balance and increased the time and effort required to complete the audit. Without an effective year-end close process, management does not have reasonable assurance that the accounting records are complete and accurate before the commencement of the audit.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Recommendation

We recommend that the City develop and implement a formal year-end closing process that includes:

- A documented year-end close checklist identifying all required closing activities and account reconciliations.
- Clear assignment of responsibility and deadlines for each year-end activity.
- Reconciliation of all significant general ledger accounts to subsidiary ledgers and supporting documentation on a timely basis.
- Investigation and resolution of reconciling items prior to the commencement of the annual audit.
- Documented management review and approval of significant account reconciliations and year-end closing entries.
- A final review of the trial balance to identify unusual balances, unsupported amounts, and potential adjustments before the accounting records are provided to the auditors.

The City should also perform significant account reconciliations throughout the year rather than relying solely on year-end procedures. This will allow errors and discrepancies to be identified and corrected more timely and should reduce the number of adjustments required during the annual audit.

Views of responsible officials and planned corrective actions:

Management acknowledges the need to strengthen the year-end closing process. The City has developed year-end closing instructions addressing cutoff deadlines, reconciliation requirements, and audit-support procedures, together with month-end and year-end closing procedures. Management will implement a closing checklist assigning responsibilities and deadlines for significant reconciliations, closing entries, and supporting schedules. Finance will document review of significant balances and entries, resolve discrepancies, and review the final trial balance before providing the audit reporting package.

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025- 05- Unsupported Rental Revenue / Lease Documentation- Material Weakness

Audit Finding
Lack of internal controls over lease agreements and rental revenue.

Condition:
During our testing of rental revenue, we noted that the City inappropriately recorded rental revenue during FY2025. The amount represented monthly rental payments received from October 2024 through May 2025. The prior lease term supporting this rental amount which expired in 2024, and the new lease agreement provided by the City has an effective date in June 2025. The City has not provided documentation supporting the basis of the continued occupancy of the property and payment of rent during the period October 2024 through May 2025.

Effect:
In the absence of supporting documentation, we were unable to determine whether the rental revenue recorded during the period October 2024 through May 2025 was supported by an authorized and enforceable rental arrangement. Additionally, the lack of documentation may result in rental revenue and related lease balances not being properly recorded or classified in accordance with applicable accounting requirements.

Cause:
The City does not have a formal process to ensure that lease agreements are monitored for expiration and renewal and that continued occupancy and rental payments are supported by current, approved agreements or other appropriate authorization.

Criteria:
The City should maintain adequate documentation to support contractual arrangements and ensure that transactions are recorded in accordance with the terms of applicable agreements and generally accepted accounting principles.

Recommendation:
We recommend that the City establish procedures to monitor lease agreements for expiration, renewal, and modification and maintain documentation supporting continued occupancy and rental payments. The City should also evaluate rental arrangements upon expiration or renewal to ensure that related lease receivables, deferred inflows, and rental revenue are appropriately recorded and supported.

Views of responsible officials and planned corrective actions:
Management will review the rental arrangement covering October 2024 through May 2025 and assemble available agreements, correspondence, payment records, and other documentation supporting continued occupancy and rental charges. The City Attorney will assist in evaluating the contractual basis for that period. The City will establish a centralized lease record and assign responsibility for monitoring expiration, renewal, modification, and related accounting requirements.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025- 06- Lack of Internal Controls over Cash Receipts process- Significant Deficiency

Audit Finding
Lack of adequate internal controls over cash receipts, including formal procedures, segregation of duties, restricted access, and timely bank reconciliations.

Condition:
During our walkthrough of the City's cash receipt process, we noted the following control deficiencies:

- Formal written cash receipt procedures were not maintained.
- All Finance staff had access to cash and checks prior to deposit.
- All Finance staff had the ability to add, edit, or delete receipt entries in the receipt register.
- Monthly cash register-to-bank reconciliations were not performed during FY2025.

Effect:
These deficiencies increase the risk that errors, unauthorized transactions, or irregularities in cash receipts may not be prevented or detected timely. The lack of segregation of duties and timely reconciliations also increases the risk of misappropriation or inaccurate financial reporting.

Cause:
The City has not established and consistently implemented formal cash receipt procedures that provide for appropriate segregation of duties, restricted access to cash and receipt records, and timely reconciliation of cash receipts to bank activity.

Criteria:
The City should maintain effective internal controls over cash receipts, including documented procedures, appropriate segregation of duties, restricted access to cash and receipt records, and timely reconciliations to ensure cash transactions are complete, accurate, authorized, and properly recorded.

Recommendation:
We recommend that the City strengthen controls over cash receipts by establishing formal written procedures, restricting access to cash and receipt records based on job responsibilities, implementing appropriate segregation of duties, and ensuring monthly cash register-to-bank reconciliations are performed and reviewed timely.

Views of responsible officials and planned corrective actions:
Management acknowledges the need for written cash receipt procedures, restricted access, segregation of duties, and documented reconciliation. The City will define responsibilities for receiving, safeguarding, recording, depositing, and reconciling receipts. Physical access to cash and checks and access to modify receipt records will be limited according to assigned responsibilities. Receipt activity will be reconciled to deposits and bank activity, with documented independent review. Any outstanding reconciliations will be identified and completed.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025- 07- Lack of Internal Controls over Credit Card process- Significant Deficiency

Audit Finding
Lack of adequate internal controls over credit card purchases, including required documentation, supervisory review, and segregation of duties.

Condition:
During our walkthrough of the City's credit card process, we noted the following control deficiencies:

- Credit Card Purchase Request Forms and credit card checkout logs were missing and unavailable for inspection for the tested sample.
- Cardholders did not submit required tally sheets for purchases.
- Monthly credit card reconciliations prepared by the Senior Accountant were not independently reviewed by the Finance Director.
- Physical access to the credit card vault was concentrated with the Senior Accountant without adequate segregation of duties during the Finance Director transition period.

Effect:
These deficiencies increase the risk that unauthorized purchases, errors, or irregularities in credit card activity may not be prevented or detected timely. Missing documentation and inadequate supervisory review also reduce the City's ability to demonstrate that purchases were properly authorized and accounted for.

Cause:
The City has not consistently implemented procedures to ensure required credit card documentation is maintained, reconciliations are independently reviewed, and physical access to credit cards is appropriately restricted and segregated.

Criteria:
The City should maintain adequate documentation and effective internal controls over credit card activity, including proper authorization, custody, segregation of duties, and independent review of credit card reconciliations.

Recommendation:
We recommend that the City strengthen credit card controls by requiring and retaining all purchase authorization, checkout, receipt, and tally sheet documentation. Monthly credit card reconciliations should be independently reviewed and documented by an appropriate supervisor. The City should also restrict physical access to credit cards and establish appropriate segregation of duties over their custody and use.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Views of responsible officials and planned corrective actions:
Management acknowledges the deficiencies identified in credit card documentation, custody, and independent review. The City's OIG corrective-action plan addresses purchase authorization, supporting receipts, monthly reconciliation, independent review, and accountability for noncompliance.

Management will require the applicable purchase request forms, checkout logs, receipts, and tally sheets to be retained. Card custody and access responsibilities will be documented, and monthly reconciliations will receive documented review by an individual independent of preparation. Missing documentation and other exceptions will be tracked and resolved. Senior officials' transactions will receive independent review.

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025- 08- Lack of Internal Controls over Cash Disbursement process- Significant Deficiency

Audit Finding
Lack of adequate internal controls over cash disbursements, including purchase order approval, timely procurement documentation, and independent review of bank reconciliations.

Condition:
During our walkthrough of the City's cash disbursement and procurement process, we noted the following control deficiencies:

- Purchase Order forms did not contain required evidence of Finance review and approval.
- A Purchase Order was prepared and dated January 10, 2025, after the related invoices had already been issued between February 2024 and June 2024.
- Monthly bank reconciliations prepared by the Finance Director did not receive independent supervisory review.

Effect:
These deficiencies increase the risk that unauthorized purchases, procurement noncompliance, and accounting errors may not be prevented or detected timely. The lack of independent review also reduces the effectiveness of controls over cash disbursements and bank reconciliations.

Cause:
The City has not consistently implemented procedures requiring timely purchase order approval and documentation, as well as independent supervisory review of bank reconciliations.

Criteria:
The City should maintain effective controls over cash disbursements, including documented and timely purchase order approvals and independent review of bank reconciliations to ensure transactions are properly authorized, recorded, and monitored.

Recommendation:
We recommend that the City strengthen its cash disbursement and procurement controls by requiring purchase orders to be properly prepared, reviewed, and approved by authorized personnel before goods or services are ordered or incurred. The City should prohibit the use of retroactive purchase orders and establish procedures to monitor compliance with its procurement requirements.

In addition, monthly bank reconciliations should be prepared timely and independently reviewed by an appropriate supervisor who is not responsible for preparing the reconciliation. The reviewer should document the review, investigate significant or unusual reconciling items, and ensure that identified differences are resolved timely. Evidence of the review and approval should be retained with the reconciliation.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Views of responsible officials and planned corrective actions:
Management acknowledges the need for timely purchase authorization, evidence of Finance approval, and independent review of bank reconciliations. The City's corrective-action work includes revised purchasing and payment workflows. The OIG corrective-action plan requires approved requisitions and purchase orders before commitments, subject to documented lawful exceptions, and supporting invoices and receiving documentation before payment.

Management will monitor compliance and document resolution of purchases initiated outside the required approval process. Bank reconciliations will receive documented review by an individual independent of preparation, with significant reconciling items investigated and resolved.

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025- 09- Lack of Internal Controls over Payroll process - Significant Deficiency

Audit Finding
Lack of formalized and documented internal controls over the payroll process.

Condition:
During our payroll walkthrough, we noted that the City's payroll process relies heavily on informal and undocumented procedures performed by the HR Director and Finance Director. Key control activities, including review of employee time and approval of payroll transfers, were not consistently documented or supported by evidence of review.

Effect:
The lack of formal procedures and documented review increases the risk that payroll errors or unauthorized transactions may not be prevented or detected timely. It also limits the City's ability to demonstrate that key payroll controls were performed.

Cause:
The City has not established and consistently implemented formal written procedures requiring documented review and approval of key payroll activities.

Criteria:
The City should maintain documented payroll procedures and appropriate evidence of review and approval for key payroll activities to ensure payroll transactions are authorized, accurate, complete, and properly recorded.

Recommendation:
We recommend that the City establish and implement formal written payroll procedures that clearly define the responsibilities of the HR Director, Finance Director, and other personnel involved in the payroll process. The procedures should require documented review and approval of employee time records, payroll calculations, changes to employee pay or payroll information, and payroll transfers before funds are disbursed.

Management should also establish an independent review of the payroll register and related supporting documentation prior to each payroll, with evidence of the review and approval retained. Any exceptions or unusual items identified should be investigated and resolved before payroll is processed. These procedures should be periodically reviewed and updated to ensure they remain consistent with the City's current payroll process.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Views of responsible officials and planned corrective actions:
Management acknowledges the need for written payroll procedures and documented review of key payroll activities. Finance and Human Resources will define responsibilities for employee records, authorized pay changes, time approval, payroll preparation, and payroll funding.

Procedures will require documented review of time records, payroll calculations, employee information changes, and payroll transfers. An individual independent of preparation will review the payroll register and supporting information before disbursement. Exceptions will be investigated and resolved, and evidence of review and approval will be retained.

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025- 10- OPEB Liability, Deferred Inflows & Outflows- Material Weakness

Audit Finding
Lack of timely updates to the actuarial valuation supporting the City's OPEB liability and related deferred balances.

Condition:
The trial balance reflects an OPEB liability, OPEB deferred outflows, and OPEB deferred inflows in Fund 950. The latest GASB 75 actuarial valuation report available was dated September 30, 2023. The actuary confirmed that the City did not obtain a subsequent GASB 75 valuation and that the September 30, 2023 valuation was not appropriate for financial reporting purposes for those fiscal years.

Effect:
The absence of an updated actuarial valuation or roll-forward analysis increases the risk that the OPEB liability, deferred outflows, and deferred inflows are materially misstated in the financial statements. This could affect reported net position, OPEB expense, and related disclosures.

Cause:
The City does not have an established process to ensure that required OPEB actuarial valuations or roll-forward analyses are obtained timely for each financial reporting period.

Criteria:
The City should obtain and maintain current actuarial information necessary to properly measure and report its OPEB liability and related deferred outflows and inflows in accordance with applicable GASB 75 requirements.

Recommendation:
We recommend that the City establish a formal process to monitor OPEB reporting requirements and ensure that an updated GASB 75 actuarial valuation or appropriate roll-forward analysis is obtained for each applicable fiscal year. The process should include assigned responsibility and established deadlines for coordinating with the actuary and obtaining the required information.

Upon receipt, management should review the actuarial valuation or roll-forward analysis and reconcile the resulting OPEB liability, deferred outflows, deferred inflows, and OPEB expense to the City's accounting records. Any differences should be investigated and corrected timely, and the related financial statement disclosures should be reviewed for completeness and accuracy before the financial statements are finalized.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Views of responsible officials and planned corrective actions:
Management acknowledges that updated actuarial information was not available to support the FY2025 OPEB amounts. The City will coordinate with its actuary to obtain appropriate information for the applicable reporting periods and establish responsibility and deadlines for future updates.
Finance will reconcile the resulting liability, deferred balances, and expense to the accounting records and coordinate required entries and disclosures with HCT. Management recognizes that this reporting issue remains unresolved until appropriate updated information is obtained and evaluated.

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2025- 11- Expenditures- Material Weakness

Audit Finding
Lack of adequate supporting documentation for expenditures.

Condition:
During our testing of expenditures, supporting documentation was not available for the selected transactions. Management was unable to provide information supporting how the amounts were determined.

Effect:
The lack of supporting documentation prevents verification of the occurrence, validity, and accuracy of the expenditure. This increases the risk that expenditures and related capital outlay balances may be misstated in the financial statements, which could affect net position or fund balance.

Cause:
The City does not have adequate procedures to ensure that sufficient supporting documentation is maintained and readily available for expenditures recorded in the general ledger.

Criteria:
The City should maintain sufficient and appropriate supporting documentation for expenditures to demonstrate that transactions are authorized, valid, accurate, and properly recorded.

Recommendation:
We recommend that the City strengthen its expenditure documentation and review procedures to ensure that all significant expenditures, particularly capital outlay transactions, are supported by sufficient and appropriate documentation before being recorded in the general ledger. Supporting documentation should clearly demonstrate the nature, amount, authorization, and accounting treatment of each transaction and should be retained in an organized manner that allows for timely retrieval.

Management should also establish a review process requiring significant or unusual expenditures and related journal entries to be reviewed and approved by an appropriate individual before or promptly after recording. Any unsupported or unusual amounts identified during the review should be investigated and resolved before the financial records are finalized.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Views of responsible officials and planned corrective actions:
Management acknowledges the requirement to maintain sufficient support for expenditures and related entries. Finance will obtain the specific transactions underlying HCT's finding and assemble available invoices, contracts, purchase orders, receiving records, payment documentation, and explanations supporting the recorded amounts.

The City will evaluate any remaining unsupported amounts with HCT and determine whether corrections are required. Its revised purchasing and payment framework requires appropriate supporting documentation and review before payment. Significant or unusual expenditure entries will also receive documented review, and supporting records will be organized for timely retrieval. Management's final position on the identified transactions will reflect this review.

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City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

B. Prior Years' Findings

Finding 2010 – 01 – Material weakness

Condition: The City did not perform a physical count of inventories and has not maintained perpetual inventory records for the Cemetery Fund. Also, the City has not established adequate controls over the completeness of revenues and receivables for the Cemetery Fund.

Recommendation: We recommend the City implements the following for the Cemetery Fund:

1) Perform an annual physical count of inventories at year end.
2) Develop and maintain perpetual inventory records.
3) Develop and implement procedures to monitor the completeness of revenues and receivables.

Current year status: Partially implemented.

Finding 2014 – 04 – Noncompliance or other matters that are required to be reported under *Government Auditing Standards*

Condition: During our testing of credit card activity, we noted the following issues:

- Some payments were not made timely resulting in the payment of late fees and finance charges.
- Sales tax was paid on certain purchases.
- Accounting records did not identify the public purpose for certain transactions.

Recommendation: We recommend that the City review its policies and procedures for credit card purchases and implement steps to provide adequate control over credit card use.

Current year status: Partially implemented.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

Finding 2015 – 01 – Material Weakness

Condition: The City has not established adequate controls over the completeness of revenues and unearned revenues for the Marina and Campground Fund.

Recommendation: We recommend that the City implement the following for the Marina and Campground Fund:

1) Acquire and implement special purpose software to maintain detailed records of revenue and utilization of the facilities for the marina and campground.
2) Establish access controls for the campground such as gates, card entry systems, and security cameras.
3) Develop and implement procedures to monitor and control marina and campground revenues.

Current year status: Partially implemented.

Finding 2016 – 01 – Material Weakness

Condition: The City has not adequately trained staff to implement purchasing procedures and management has not adequately monitored the purchasing process.

Recommendation: We recommend that City staff involved in the purchasing process receive training regarding the approved purchasing procedures and that management increase monitoring of the purchasing process to maintain adequate controls.

Current year status: Partially implemented.

Finding 2017 – 01 – Noncompliance or other matters that are required to be reported under *Government Auditing Standards*

Condition: The Marina and Campground Enterprise Fund has experienced operating losses for many years, and the Cemetery Enterprise Fund has frequently experienced operating losses. As of September 30, 2017, both funds reported a deficit in unrestricted net position. As of September 30, 2017, advances from the General Fund totaled $193,486 for the Marina and Campground Enterprise Fund and $338,865 for the Cemetery Enterprise Fund.

Recommendation: We recommend that the City review the operations of the enterprise funds to develop options for increasing revenues for these funds.

Current year status: Not implemented. Both funds are still operating at a loss.

City of Pahokee, Florida
Schedule of Audit Findings
Year Ended September 30, 2025

2024-01 – Significant Deficiency

Condition:
A sample of purchases made with the City's credit card showed:
1. Two transactions with no vendor invoice were
2. Two transactions lacked the appropriate level of approval before purchases occurred.

Recommendation:

Management should reinforce compliance with the City's policies regarding purchases and use of Credit cards.

Status: Partially Implemented

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Honorable Mayor and Members of the City Council
City of Pahokee, Florida
Pahokee, Florida

We have examined the City of Pahokee (the City's) compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2025. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the City and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination of the City's compliance with the specified requirements.

In our opinion, the City complied in all material respects, with Section 218.415, Florida Statutes, relating to the investment of public funds, for the fiscal year ended September 30, 2025.

This report is intended solely to describe our testing of compliance with Section 218.415, Florida Statutes, and it is not suitable for any other purpose.

HCT Certified Public Accountants & Consultants, LLC
Hollywood, Florida
September 28, 2026

MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Honorable Mayor and Members of the City Council
City of Pahokee, Florida.
Pahokee, Florida

Report on the Financial Statements
We have audited the financial statements of the City of Pahokee, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated September 28, 2026. The auditor's reports on the financial statements of the Governmental Activities, Capital Assets, General Long-Term Liabilities, Marina and Campground Fund and the Cemetery Enterprise Fund, and business-type activities were qualified because of inadequacies in the internal controls and accounting records relating to capital assets, OPEB and inventories.

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

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated September 28, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address the findings and recommendations made in the preceding annual financial audit report.

The following findings were reported in prior-year audit reports and remain uncorrected as of the current reporting date. Management is in the process of implementing corrective actions to address these findings:

Finding 2010-1 Cemetery Fund
Finding 2014-4 Credit Cards
Finding 2015-1 Marina and Campground Fund
Finding 2016-1 Purchasing
Finding 2017-1 The Marina and Campground Enterprise Fund
Finding 2024-1 Purchases

Official Title and Legal Authority
Section 10.554(1)(i)4., Rules of the Auditor General, require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. There are no component units that need to be disclosed.

Financial Condition and Management
Sections 10.554(1)(i)5. a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statute.

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have twelve recommendations as noted in the Schedule of Audit Findings (2025-01, 2025-02, 2025-03, 2025-04, 2025-05, 2025-06, 2025-07, 2025-08, 2025-09, 2025-10, 2025-11).

The City has not fully implemented the corrective actions recommended in the prior financial audit reports, with respect to findings 2010-01, 2014-04, 2015-01, 2016-01, 2017-01 and 2024-01. Based on our current-year audit procedures, the condition continues to exist. We recommend that the City implement appropriate corrective action to address the matter.

Property Assessed Clean Energy (PACE) Programs
Section 10.554(1)(i)6.a., Rules of the Auditor General requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the City's geographical boundaries during the fiscal year under audit. There was no PACE Program operating within the City.

Special District Component Units
Sections 10.554(1)(i)5. c., Rules of the Auditor General, require, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Mayor and City Council Members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

HCT Certified Public Accountants & Consultants, LLC
Hollywood, Florida
September 28, 2026

AGENDA

MEMORANDUM

TO: Honorable Mayor & City Commissioners

VIA: Brenda Bryant, City Manager

FROM: Office of the City Manager

SUBJECT: Forensic Audit RFP 2026-02

DATE: October 27th, 2026

GENERAL SUMMARY/BACKGROUND:
The City of Pahokee requires professional forensic auditing services and intends to solicit qualifications from experienced firms through RFP No. 2026-02 to identify the most qualified providers, subject to available funding and applicable City approval requirements.

BUDGET IMPACT:

The fiscal impact will be determined based on individual project needs and negotiated professional service fees. Any resulting professional services agreement, task order, work authorization, or expenditure will be subject to available appropriations, applicable funding restrictions, and required City approvals

LEGAL NOTE:

STAFF RECOMMENDATION:
Staff recommends approval

ATTACHMENTS:
Resolution 2026-72

RESOLUTION NO. 2026-72

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AUTHORIZING THE ISSUANCE AND COMPETITIVE ADVERTISEMENT OF REQUEST FOR PROPOSALS (RFP) NO. 2026-02 FOR COMPREHENSIVE FORENSIC AUDIT SERVICES; APPROVING THE RFP DOCUMENT AND SOLICITATION SCOPE; AUTHORIZING THE CITY MANAGER TO EXECUTE PROCUREMENT PROCEDURES AND CONVENE AN EVALUATION COMMITTEE; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Pahokee, Florida ("City"), is a municipal corporation organized and existing under the laws of the State of Florida, operating under a Commission-Manager form of government; and

WHEREAS, the City Commission is dedicated to maintaining the highest standards of financial integrity, institutional accountability, fiduciary transparency, and public trust in the administration of municipal funds; and

WHEREAS, the City does not maintain an internal audit department, and the City Commission has determined that an independent, external forensic examination of historical municipal financial records is essential to verify transactions, evaluate internal controls, and detect any potential irregularities, unauthorized expenditures, waste, or policy non-compliance; and

WHEREAS, City Administration has prepared Request for Proposals (RFP) No. 2026-02, titled "Forensic Audit Services – Comprehensive Financial, Disbursement & Internal Controls Examination," attached hereto and incorporated herein as Exhibit "A"; and

WHEREAS, the proposed RFP outlines a specialized scope of work across three critical financial domains and historical timeframes:

1. Focus Area A: Accounts Payable, Vendor Disbursements, and Purchasing Card/Credit Transactions (January 11, 2023 through September 30, 2026);
2. Focus Area B: Cash Handling, Intake Points, Wire/ACH Disbursements, and Multi-Period Bank Reconciliations (June 28, 2022 through September 30, 2026); and
3. Focus Area C: Payroll Integrity, Overtime/Timecard Overrides, and Employee Expense Reimbursements (June 28, 2022 through September 30, 2026); and

WHEREAS, the solicitation requires independent Certified Public Accountants (CPAs) and Certified Fraud Examiners (CFEs) adhering to AICPA Statement on Standards for Forensic Services No. 1 (SSFS 1), ACFE Professional Standards, and GAO Yellow Book standards; and

WHEREAS, the City Commission finds that competitively soliciting and advertising RFP No. 2026-02 is in the best interest of the City of Pahokee and its residents.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, AS FOLLOWS:

Section 1. Adoption of Representations. The foregoing "Whereas" clauses are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

Section 2. Approval and Authorization**.** The City Commission of the City of Pahokee hereby authorizes the issuance, release, and competitive advertisement of RFP No. 2026-02: Comprehensive Forensic Audit Services, in substantially the form attached hereto as Exhibit "A," subject to minor non-substantive adjustments and legal review by the City Attorney..

Section 3. Procurement & Evaluation Authority.
The City Manager, or designee, is hereby authorized and directed to:

a) Publish and distribute RFP No. 2026-02 across designated procurement platforms, including DemandStar and City publications, pursuant to City purchasing policies and applicable Florida Statutes.
b) Enforce the municipal Cone of Silence throughout the solicitation process.
c) Establish and appoint a qualified Evaluation Committee to review, score, and rank responsive submittals based on the approved 100-point technical and cost criteria.
d) Present the Evaluation Committee's final rankings and recommendations to the City Commission for formal contract award and final contract approval.

Section 4. Conflict. All resolutions in conflict herewith are hereby and expressly repealed.

Section 5. Effective Date. This Resolution shall be effective immediately upon its passage and adoption.

PASSED and **ADOPTED** this 27 day of October, 2026.

_____
Keith W. Babb, Jr., Mayor

ATTEST:

_____
Nylene Clarke, CMC, City Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

_____
Burnadette Norris-Weeks, P.A.
City Attorney

Moved by: _____

Seconded by: _____

VOTE:

Mayor Babb	_____ (Yes)	_____ (No)
Vice Mayor McDonald	_____ (Yes)	_____ (No)
Commissioner Cowan-Williams	_____ (Yes)	_____ (No)
Commissioner McPherson	_____ (Yes)	_____ (No)
Commissioner Scott	_____ (Yes)	_____ (No)

EXHIBIT "A"

Request for Proposals (RFP) No. 2026-02, Forensic Audit Services – Comprehensive Financial, Disbursement & Internal Controls Examination,

(ATTACHED)

REQUEST FOR PROPOSALS (RFP)

RFP #2026-01 — FORENSIC AUDIT SERVICES
COMPREHENSIVE FINANCIAL, DISBURSEMENT & INTERNAL CONTROLS EXAMINATION

Issuing Agency:	City of Pahokee, Florida 207 Begonia Drive, Pahokee, FL 33476
Solicitation Title & Number:	RFP #2026-01 — Comprehensive Forensic Audit Services
Procurement Inquiries Contact:	Kametra Driver, Strategic Planner Email: kdriver@cityofpahokee.com
Proposal Submission Deadline:	November 17, 2026 at 2:00 PM (EST)
Submittal Location:	DemandStar
Target Execution Period:	Fiscal Year 2026/2027

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SECTION I – GENERAL CONDITIONS & INSTRUCTIONS TO PROPOSERS

A. The City of Pahokee, Florida, a Florida municipal corporation located in Palm Beach County, Florida ("City"), is requesting competitive proposals from responsible, qualified, and responsive firms of Certified Public Accountants (CPAs), Certified Fraud Examiners (CFEs), and specialized forensic investigative accounting firms to perform an independent, comprehensive forensic examination of municipal financial records, cash-handling procedures, accounts payable, purchasing cards, bank reconciliations, payroll, and internal control structures across designated historical periods. Sealed proposals will be accepted until 2:00 p.m., EST, on Tuesday, November 17, 2026, at City Hall, 207 Begonia Drive, Pahokee, Florida 33476, at which time they will be publicly opened and recorded.

B. Proposals may be submitted in person at the City Clerk's Office, or via U.S. Mail or commercial courier service. Sealed packages must be plainly and visibly marked on the exterior: "RFP #2026-02 — FORENSIC AUDIT SERVICES — NOVEMBER 17, 2026" along with the Proposer's legal business name and return address.

C. Proposals received after the designated deadline will not be viewed. It is the sole responsibility of the respondent to ensure the proposal is uploaded in DemandStar AND hardcopies received prior to the deadline.

D. Submission Quantities: Proposers shall submit one (1) clearly marked, manually signed original proposal, four (4) hard copies, and one (1) electronic copy on a USB flash drive (searchable PDF format). Proposers must submit their Cost / Fee Proposal in a separate, clearly marked, sealed inner envelope titled "APPENDIX A: COST PROPOSAL — RFP #2026-01".

E. The City reserves the right to reject any or all proposals, or any part of any proposal, to waive any minor informality or irregularity in any proposal, and to award a contract deemed to be in the best interest of the City. All proposals submitted must comply with all applicable local ordinances, state statutes, and federal laws and regulations, including equal employment opportunity mandates.

F. Inquiries and Cone of Silence: Direct all inquiries regarding this RFP in writing to Kametra Driver, Strategic Planner, via email at kdriver@cityofpahokee.com. The deadline to submit written inquiries is November 9, 2026, at 5:00 p.m., EST. All written questions received and formal City responses will be issued as written addenda posted on the DemandStar. Proposers are solely responsible for verifying the issuance of addenda prior to submission. From the date of release of this solicitation until final award by the City Commission, a strict Cone of Silence is in effect: no contact with City personnel, elected officials, or evaluation committee members related to this solicitation is permitted, except through the City Clerk.

G. Public Records Compliance: Proposers acknowledge that the City is subject to Chapter 119, Florida Statutes (Public Records Law). Proposals are exempt from public inspection until such time as the City provides notice of an intended decision or until thirty (30) days after opening, whichever occurs earlier, pursuant to § 119.071(1)(b), F.S. Any confidential or exempt trade-secret material must be clearly segregated and marked.

> **PUBLIC RECORDS CUSTODIAN NOTICE:** IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT: Nylene Clarke, City Clerk; Telephone: (561) 924-5534; Email: cityclerk@cityofpahokee.com; Address: 207 Begonia Drive, Pahokee, FL 33476.

H. Public Entity Crimes & Scrutinized Companies: Pursuant to § 287.133, F.S., a person or affiliate placed on the convicted vendor list following a conviction for a public entity crime may not submit a proposal, be awarded, or perform work on a public contract for a period of 36 months. Pursuant to §

287.135, F.S., the Proposer certifies that it is not engaged in a boycott of Israel and is eligible to contract with the City.

I. Firm Offer & Binding Period: Submittals shall remain binding upon the respondent and irrevocable for ninety (90) calendar days following the RFP submission deadline.

SECTION II – MUNICIPAL OVERVIEW & BACKGROUND

A. Incorporation & Governance: The City of Pahokee is located on the eastern shore of Lake Okeechobee in Palm Beach County, Florida. Operating under a Commission-Manager form of government, the City is governed by a five-member City Commission consisting of the Mayor and four City Commissioners. The City Commission appoints the City Manager, City Clerk, and City Attorney.

B. Municipal Operations: The City provides general governmental services to its residents, including Executive Administration, Finance & Accounting, City Clerk, Parks and Recreation, Public Works, Planning and Zoning, Cemetery Operations, and Marina and Campground operations. Law enforcement services are contracted through the Palm Beach County Sheriff's Office (PBSO), and Fire/Rescue services are provided through Palm Beach County Fire Rescue. The City operates Enterprise Funds (including Marina and Campground facilities) and Special Revenue Funds in addition to its General Fund.

C. Financial Administration & Prior Audits: The City maintains its own internal financial ledgers, accounts payable, payroll, and cash collection records. Budgets are integrated within the municipal financial accounting system. Prior fiscal years' independent financial statement audits were conducted by external certified public accounting firms.

D. Absence of Internal Audit Department: The City of Pahokee does not maintain an internal audit department. The City Commission has determined that an independent, external forensic audit is imperative to ensure complete transparency, institutional accountability, and verification of historical financial transactions.

E. Procurement Schedule:

Issuance of Request for Proposals (RFP #2026-FA)	October 30, 2026
Deadline for Submission of Written Questions	**November 9, 2026 at 5:00 PM (EST)**
Deadline for Submission of Proposals (Public Opening)	**November 17, 2026 at 2:00 PM (EST)**
Evaluation Committee Proposal Scoring & Ranking	December 01, 2026 (Tentative)
Oral Presentations / Vendor Interviews (if requested)	TBD
Recommendation & Contract Award by City Commission	TBD

SECTION III – COMPREHENSIVE SCOPE OF FORENSIC AUDIT SERVICES

A. Purpose & Standards: The primary objective is to examine specific municipal financial accounts, internal control systems, disbursement records, and cash-handling processes to identify potential irregularities, unauthorized expenditures, policy non-compliance, fraud, waste, or abuse across designated historical periods. The examination shall be conducted in accordance with:

- Statement on Standards for Forensic Services No. 1 (SSFS 1) issued by the AICPA.
- Code of Professional Standards of the Association of Certified Fraud Examiners (ACFE).

- Government Auditing Standards (Yellow Book) issued by the U.S. Government Accountability Office (GAO).
- AICPA Attestation Standards and Agreed-Upon Procedures Guidelines.
- Applicable Florida Statutes, including Chapters 112, 166, 218, and Rules of the Auditor General (Chapter 10.550).

B. Three Specific Financial Domains & Timeframes: The selected Consultant shall furnish all labor, supervision, specialized forensic data analytical tools, and investigative capabilities required to complete testing across three core focus areas:

FOCUS AREA A: ACCOUNTS PAYABLE, VENDOR DISBURSEMENTS & CREDIT TRANSACTIONS

• Audit Timeframe: January 11, 2023 through September 30, 2026

- **Vendor Master File Data Matching:** Perform electronic cross-matching between vendor Tax Identification Numbers (TINs), physical addresses, bank accounts, and telephone numbers against current and former City employee/official master files to identify potential undisclosed conflicts of interest, affiliated vendor relationships, or shell entities.
- **Disbursement Authorization & Risk Testing:** Audit vendor onboarding protocols, approval workflows, and master file maintenance. Review high-risk disbursements, payments issued without valid purchase orders, split purchase orders designed to circumvent City Commission approval thresholds, duplicate payments, rounded invoice figures, sequential invoices from single vendors, and manual or off-cycle check runs.
- **Purchasing Cards & Credit Cards (100% Review):** Conduct a 100% forensic review of all municipal credit card, Purchasing Card (P-Card), and store charge account statements and primary receipts for the entire period. Flag unapproved, personal, missing-receipt, split-ticket, or prohibited purchases; verify whether sales tax was improperly paid; and confirm compliance with Pahokee purchasing policies and Florida law.
- **Procurement & Bidding Compliance:** Reconcile disbursements against authorized Purchase Orders, approved contracts, City Commission resolutions/minutes, and statutory procurement thresholds.

FOCUS AREA B: CASH HANDLING, DISBURSEMENTS & BANK RECONCILIATIONS

• Audit Timeframe: June 28, 2022 through September 30, 2026

- **Cash Receipting & Daily Deposits:** Evaluate internal controls, segregation of duties, physical security, cash drawers, and receipting systems across all municipal intake points (City Hall cashiering, utility/water payments, parks and recreation, Pahokee Marina and Campground, cemetery services, and building/permitting). Trace cash receipts from original point of intake through intermediate transport logs to validated bank deposit slips and bank statements to detect potential skimming, lapping, delayed deposits, or unrecorded cash.
- **Cash Disbursements & Wire Transfers:** Perform 100% sampling/testing on manual checks, wire transfers, and Automated Clearing House (ACH) electronic disbursements. Verify strict adherence to two-factor/dual authorization protocols, examine signature authenticity, and confirm legitimate municipal business purpose.
- **Independent Multi-Period Bank Reconciliations:** Perform independent, multi-period reconciliations of all municipal bank accounts. Investigate unrecorded cash flows, outstanding reconciling items, stale-dated checks, voided transactions, unusual timing differences, debit/credit memos, and retroactive or manual journal entries altering cash balances.

FOCUS AREA C: PAYROLL, OVERTIME & EMPLOYEE EXPENSE REIMBURSEMENTS

• Audit Timeframe: June 28, 2022 through September 30, 2026

- **Payroll Integrity & Ghost Employees:** Match active and historical payroll registers against IRS Form W-2 / 1099 records, state unemployment databases, Social Security parameters, and physical personnel onboarding/termination files. Identify potential ghost/phantom employees, unauthorized salary adjustments, retroactive pay increases, duplicate direct deposits into identical bank accounts, or improper post-termination compensation.
- **Overtime & Timecard Modifications:** Analyze trends, supervisor pre-approval documentation, timecard modifications, manual punch overrides, and holiday/weekend pay for all paid overtime across all municipal departments. Flag patterns of excessive, unapproved, or falsified overtime.
- **Employee Expense Reimbursements:** Audit travel vouchers, per diem claims, mileage logs, and out-of-pocket reimbursements for elected officials, appointed leadership, and administrative staff for double-billing, non-business items, or inadequate receipts.

C. Scope Deliverables & Reporting Protocols

- **Engagement Work Plan & Calendar:** Within fourteen (14) calendar days of contract execution, submit a comprehensive work plan detailing investigative milestones, document request logs, and staff interview schedules.
- **Progress Briefings:** Bi-weekly written briefing memos updating the City Manager and City Commission on testing progress, records received, and preliminary observations.
- **Detailed Draft Forensic Report:** Deliver a confidential detailed draft report to the City Manager containing forensic methodology, tested sample sizes, internal control deficiencies, narrative findings, and quantified schedules of financial losses/exceptions.
- **Final Forensic Audit Report & Commission Presentation:** Deliver a bound and digital final report incorporating City administrative responses, executive summaries, and prioritized recommendations for internal control enhancements. Deliver an in-person formal presentation to the Pahokee City Commission at a public meeting.
- **Evidence File & Chain of Custody:** Maintain a structured, secure digital evidence archive with verifiable chain of custody supporting all findings of suspected legal violations, fraud, waste, or abuse suitable for referral to law enforcement or judicial authorities.

SECTION IV – QUALIFICATIONS OF THE FORENSIC AUDITOR

Proposing firms and assigned personnel must satisfy the following mandatory minimum credentials at the time of proposal submission:

- **State Licensure:** The firm must be an active Certified Public Accounting (CPA) firm or professional investigative entity legally authorized to practice in Florida, licensed by the Florida Board of Accountancy under Chapter 473, F.S., and registered with the Florida Department of State.
- **Key Staff Certifications (CFE / CPA):** The Project Partner, Engagement Director, and lead forensic investigators assigned to the Pahokee engagement must hold active Certified Fraud Examiner (CFE) and/or Certified Public Accountant (CPA) credentials in good standing.
- **Municipal Forensic Experience:** The proposing firm must have a minimum of five (5) continuous years of verified professional experience performing forensic accounting, fraud investigations, or forensic audits for Florida municipal, county, or state government entities.

- **Strict Professional Independence:** The firm and its assigned personnel must provide an unequivocal statement of strict professional independence from the City of Pahokee, its elected officials, and key management personnel during the audit periods under examination.

SECTION V – PROPOSAL SUBMITTAL REQUIREMENTS & STRUCTURE

Proposals must be organized into six (6) distinct sections with corresponding tab dividers:

- **Tab 1: Transmittal Letter & Executive Profile —** Formal letter signed by an authorized corporate officer describing the firm, legal structure, primary contact, understanding of the engagement, and commitment to the project.
- **Tab 2: Qualifications & Key Staff Resumes —** Detailed resumes of partners, managers, and senior investigators assigned to Pahokee, highlighting CFE/CPA credentials, relevant municipal forensic experience, and Florida licenses.
- **Tab 3: Technical Approach & Work Plan —** Comprehensive technical approach detailing forensic data analytical software, sampling protocols, 100% P-Card audit strategy, interview workflows, chain of custody procedures, and internal control assessment approach across Focus Areas A, B, and C.
- **Tab 4: Municipal Governmental References —** Detailed descriptions of at least three (3) comparable municipal forensic audits completed in Florida within the past 5 years, including entity name, scope, contact person, phone, and email.
- **Tab 5: Staff Availability & Project Timeline —** Workload capacity analysis, staffing availability schedule, and milestone calendar for completing field work, draft report, and final presentation.
- **Tab 6: Mandatory Affidavits & Certifications —** Completed and executed statutory compliance forms from Appendix B.

> **SEPARATE SEALED FEE ENVELOPE REQUIREMENT:** Fee proposals must be submitted in a SEPARATE, SEALED ENVELOPE marked "APPENDIX A: COST PROPOSAL — RFP #2026-FA". The cost proposal must outline a fixed-price engagement total or capped hourly rate structure with a Not-to-Exceed ceiling broken down by Focus Areas A, B, and C.

SECTION VI – EVALUATION CRITERIA & SELECTION PROCEDURES

A. Two-Step Evaluation Process: An Evaluation Committee appointed by the City will review and score all proposals. Proposals will first be evaluated against mandatory threshold criteria (licensure, independence, CFE/CPA certifications, experience). Proposals satisfying mandatory elements will then be scored on technical quality and cost based on the 100-point matrix below:

EVALUATION CRITERIA	WEIGHT	MAX POINTS
1. Firm Experience & Past Municipal Performance: Depth of firm's forensic accounting experience with Florida municipalities/counties; verified reference quality.	**25%**	**25 Points**
2. Qualifications of Key Assigned Staff: Specialized CFE/CPA certifications, governmental forensic experience, and seniority of personnel assigned to Pahokee.	**25%**	**25 Points**

3. Audit Approach, Methodology & Data Analytics: Thoroughness of work plan across Focus Areas A, B, and C; data analytics tools, sampling rigor, and evidence chain of custody.	**30%**	**30 Points**
4. Proposed Timeline & Fee Structure / Cost Proposal: Feasibility of milestone timeline and cost-effectiveness of proposed fee structure (evaluated from sealed envelope).	**20%**	**20 Points**

TOTAL MAXIMUM SCORE: 100 POINTS

B. Oral Presentations: At the discretion of the City, shortlisted firms may be invited to make oral presentations. The Committee will present its final ranking and recommendation to the Pahokee City Commission for formal contract award.

SECTION VII – FORMATION OF CONTRACT

A. Upon selection, the City and successful Proposer will enter into final contract negotiations to confirm the definitive scope, reporting calendar, and Not-to-Exceed fee amount.

B. Selection does not guarantee an award. If the City and top-ranked firm cannot execute an agreement, the City reserves the right to negotiate with the next highest-ranked firm.

C. Award of contract shall become final only upon formal approval by the Pahokee City Commission and complete execution by authorized municipal representatives.

SECTION VIII – CONTRACT TERMS, CONDITIONS & LEGAL PROVISIONS

A. Term: The contract term shall be for one (1) year from execution date, with options to extend upon mutual agreement to complete reporting or provide litigation testimony.

B. Independent Contractor: The Consultant is an independent contractor, with no authority to bind the City or act as a municipal agent.

C. Confidentiality & Evidence Custody: All data, draft reports, and communications developed under this engagement are confidential to the fullest extent permitted by law.

D. Ownership of Documents: All finished and unfinished workpapers, electronic databases, spreadsheets, and forensic reports become property of the City upon payment.

E. Insurance Requirements: Consultant shall maintain Commercial General Liability ($1M/$2M), Automobile Liability ($1M), Statutory Workers' Compensation, and Professional Liability / Errors & Omissions ($2,000,000 per claim and aggregate) throughout the engagement and for three years post-completion.

F. Termination: The City may terminate the agreement for cause immediately, or for convenience upon thirty (30) days written notice.

G. Governing Law: Governed by Florida law; venue shall lie exclusively in Palm Beach County, Florida.

APPENDIX A: COST & FEE PROPOSAL SCHEDULE

(Must marked "APPENDIX A: COST PROPOSAL — RFP #2026-02")

The Proposer proposes to furnish all supervision, labor, forensic software, travel, and materials required to perform the Comprehensive Forensic Audit Services for the City of Pahokee for the following fixed / capped fees:

Focus Area A: Accounts Payable, Vendor Disbursements & Credit Transactions (Jan 11, 2023 – Sept 30, 2026)	$ _____
Focus Area B: Cash Handling, Disbursements & Bank Reconciliations (June 28, 2022 – Sept 30, 2026)	$ _____
Focus Area C: Payroll, Overtime & Employee Expense Reimbursements (June 28, 2022 – Sept 30, 2026)	$ _____
Deliverables, Final Commission Presentation & Digital Evidence Archive	$ _____
TOTAL PROPOSED NOT-TO-EXCEED ENGAGEMENT FEE	**$ _____**

Hourly Billing Rates for Supplemental Forensic / Testimony Services:

- Partner / Engagement Director: $ _____ / Hour
- Senior Manager / Quality Reviewer: $ _____ / Hour
- Lead Forensic Investigator (CFE/CPA): $ _____ / Hour
- Senior Forensic Staff / Data Analyst: $ _____ / Hour

Proposer Legal Entity Name: _____

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

APPENDIX B: PROPOSER INFORMATION & MANDATORY CERTIFICATIONS

The following certifications must be executed by an authorized corporate representative and included in Tab 6 of the proposal:

FORM B-1: PROPOSER GENERAL INFORMATION & INDEPENDENCE CERTIFICATION

Legal Entity Name: _____
Primary Business Address: _____
Florida CPA Firm License #: _____ FEIN: _____
Independence Attestation: The Proposer affirms that it is strictly independent of the City of Pahokee, its elected officials, and administrative personnel during the entire audit periods under examination.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

FORM B-2: NON-COLLUSION AFFIDAVIT (SWORN & NOTARIZED)

The undersigned deponent states under penalty of perjury that this proposal is submitted freely and independently, without collusion, secret understanding, or agreement with any competitor, city official, or evaluation committee member.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

STATE OF FLORIDA | COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of [ ] physical presence or [ ] online notarization this _____ day of _____, 20____, by _____, who is personally known to me or produced _____ as identification.

Notary Public Signature: _____ Commission Expires: _____

FORM B-3: PUBLIC ENTITY CRIMES AFFIDAVIT (§ 287.133, F.S. - SWORN & NOTARIZED)

The Proposer certifies under penalty of perjury that neither the firm nor any affiliate is currently on the Convicted Vendor List maintained by the State of Florida following a conviction for a public entity crime.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

STATE OF FLORIDA | COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of [ ] physical presence or [ ] online notarization this _____ day of _____, 20____, by _____, who is personally known to me or produced _____ as identification.

Notary Public Signature: _____ Commission Expires: _____

FORM B-4: CONFLICT-OF-INTEREST DISCLOSURE CERTIFICATION (§ 112.313, F.S.)

The Proposer certifies that no principal, officer, or assigned employee has any business, financial, or familial relationship with any City of Pahokee elected official or employee. Any potential relationship must be fully disclosed.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

FORM B-5: E-VERIFY COMPLIANCE CERTIFICATION (§ 448.095, F.S.)

The Proposer certifies registration and active utilization of the federal E-Verify system to confirm employment eligibility of all newly hired staff performing work in Florida.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

FORM B-6: SCRUTINIZED COMPANIES CERTIFICATION (§ 287.135, F.S.)

The Proposer certifies that it does not boycott Israel, is not on the Scrutinized Companies that Boycott Israel List, and is not on the Scrutinized Companies with Activities in Sudan or Iran Terrorism Sectors Lists.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

AGENDA

MEMORANDUM

TO: HONORABLE MAYOR & CITY COMMISSIONERS

FROM: Brenda L. Bryant, City Manager

SUBJECT: Approval of Ranked firms for Continuing Architectural and Engineering Services (RFQ 2026-01)

DATE: October 27, 2026

EXECUTIVE SUMMARY

This item requests Commission approval of the top-ranked firms for Continuing Architectural and Engineering (A&E) Services under RFQ 2026-01, and requests authorization for the City Manager to negotiate and execute continuing services agreements with the selected pool of firms in accordance with Florida's Consultants' Competitive Negotiation Act (CCNA).

GENERAL SUMMARY & BACKGROUND

On September 4, 2026, the City of Pahokee issued a Request for Qualifications ("RFQ") 2026-01 to solicit qualified architectural, engineering, and related professional consulting firms. The objective is to establish a pre-qualified pool of vendors capable of supporting various municipal projects on an ongoing, as-needed basis.

In full compliance with Florida Statutes 287.055 (CCNA), an Evaluation Committee was formed to assess all submittals. Each member independently scored the proposals using a standardized, weighted evaluation matrix to ensure an objective and uniform evaluation process.

The timeline and key milestones for RFQ 2026-01 were as follows:

- **RFQ ISSUED:** September 9, 2026
- **Proposals Received:** September 29, 2026
- **Evaluation Committee Meeting:** October 20, 2026

During the October 20th public meeting, committee members reviewed each firm's technical capabilities, project approach, and alignment with the City's goals. Based on composite scores and rankings, the committee established a shortlist of ranked firms by category.

BUDGET IMPACT:

Approval of the ranked shortlists carries **no direct fiscal impact**. Project-specific scope, fees, and task orders will be negotiated with the selected firm(s) as individual needs arise, and contracts exceeding administrative approval thresholds will be brought before the City Commission for formal authorization.

LEGAL NOTE:

This item has been reviewed for legal sufficiency. Any additional legal advice will be deferred to the City Attorney as necessary.

STAFF RECOMMENDATION:

Staff recommends approval of this item.

ATTACHMENTS:

- Resolution 2026-73 – Approving the Ranking and Selection of Qualified Firms for Continuing Engineering and Architectural Services
- Evaluation Committee Master Scoring Sheet

RESOLUTION NO. 2026-73

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA, ACCEPTING QUALIFICATIONS FOR CONTINUING PROFESSIONAL ARCHITECTURAL AND ENGINEERING CONSULTING SERVICES PURSUANT TO RFQ NO. 2026-01; FURTHER AUTHORIZING THE CITY MANAGER TO ENTER INTO MULTIPLE AGREEMENTS FOR ARCHITECTURAL AND ENGINEERING CONSULTING SERVICES AS PROVIDED IN EXHIBIT "A" HERETO; AUTHORIZING QUALIFIED CONSULTANTS FOR FUTURE PROJECTS ON AN AS NEEDED BASIS FOR AN INITIAL TERM OF THREE (3) YEARS, WITH A ONE-YEAR RENEWAL OPTION; PROVIDING FOR INCORPORATION OF RECITALS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Pahokee ("City") has an ongoing need for Consultants' Competitive Negotiations Act (''CCNA'') services related to citywide infrastructure and construction projects; and

WHEREAS, the City issued Request for Qualifications (RFQ) 2026-01 seeking qualified professional firms to provide architectural design, engineering, and related consulting services on a continuing basis; and

WHEREAS, the scope of services under RFQ 2026-01 includes ongoing municipal architectural and engineering support; and

WHEREAS, procurement of professional architectural and engineering services is governed by Section 287.055, Florida Statutes, known as the Consultants' Competitive Negotiation Act (CCNA); and

WHEREAS, an Evaluation Committee evaluated and scored fifteen (15) competitive submittals in accordance with the criteria established in RFQ 2026-01 and is recommending all firms for consideration for its library of potential providers; and

WHEREAS, on October 20, 2026, the Evaluation Committee convened to finalize rankings and establish a shortlist of top-ranked qualified firms; and

WHEREAS, City Staff recommends that the City Commission approve the evaluation rankings and authorize the City Manager to negotiate and execute master continuing services agreements with the pool of qualified firms on an as needed basis in accordance with Florida State Statute 287.055, the Consultants' Competitive Negotiations Act (''CCNA'').

NOW, THEREFORE, BE IT DULY RESOLVED BY THE CITY COMMISSION OF THE CITY OF PAHOKEE, FLORIDA:

SECTION 1. RECITALS

The recitals to the preamble herein are incorporated by referece.

SECTION 2. AUTHORIZATION

The City Commission of the City of Pahokee hereby authorizes the City Manager to negotiate and execute master continuing services agreements with the pool of qualified firms attached hereto as Exhibit "A," on an as needed basis in accordance with Florida State Statute 287.055, the Consultants' Competitive Negotiations Act (''CCNA'') to serve as a library of qualified consultants for future projects for an initial term of three (3) years, with a one-year renewal option.

SECTION 3. SCRIVENER'S ERRORS

Sections of this Resolution may be renumbered or re-lettered and corrections of typographical errors, which do not affect the intent of this Resolution may be authorized by the City Manager, following review by the City Attorney, without need of public hearing, by filing a corrected copy of same with the City Clerk.

SECTION 4. EFFECTIVE DATE

This Resolution shall take effect upon the adoption.

PASSED and **ADOPTED** this 27th day of October, 2026.

_____

Keith W. Babb, Jr., Mayor

ATTEST:

_____

Nylene Clarke, CMC, City Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

_____
Burnadette Norris-Weeks, City Attorney

Moved by: _____

Seconded by**:** _____

VOTE**:**

Mayor Babb	_____ (Yes)	_____ (No)
Vice-Mayor McDonald	_____ (Yes)	_____ (No)
Commissioner Cowan-Williams	_____ (Yes)	_____ (No)
Commissioner McPherson	_____ (Yes)	_____ (No)
Commissioner Scott	_____ (Yes)	_____ (No)

EXHIBIT "A"

(attached)

CCNA RFQ 2026-01
CCNA ARCHITECTURE & ENGINEERING SERVICES
RECOMMEDATION: SHORTLIST RANKING BY CATEGORY

CIVIL ENGINEERING				
FIRM	**Reviewer N. Appel**	**Reviewer B. Bryant**	**Reviewer T. Lanahan**	**Total**
WGI	92	98	90	**280**
Craig A. Smith & Associates	92	87	97	**276**
ZNS Engineering, LLC	94	89	75	**258**
CAP Engineering	89	91	75	**255**
H2M Architects + Engineers	91	86	78	**255**
Kimley Horn	82	83	90	**255**

General Consulting Engineering				
FIRM				**TOTAL**
	Reviewer N. Appel	**Reviewer B. Bryant**	**Reviewer T. Lanahan**	
WGI	93	98	90	**281**
ZNS Engineering, LLC	94	89	75	**258**
H2M Architects + Engineers	91	86	78	**255**
CAP Engineering	89	91	75	**255**
Lakdas/Yohalem Engineering, Inc.	96	89	52	**237**

STRUCTURAL				
FIRM				**TOTAL**
	Reviewer N. Appel	**Reviewer B. Bryant**	**Reviewer T. Lanahan**	
Lakdas/Yohalem Engineering, Inc.	**96**	**89**	**80**	265
Kimley Horn	**85**	**83**	**90**	258
Conemco Engineering, Inc.	**92**	**88**	**68**	248
H2M Architects + Engineers	**89**	**86**	**55**	230
CAP Engineering	**86**	**91**	**52**	229

CCNA RFQ 2026-01
CCNA ARCHITECTURE & ENGINEERING SERVICES
RECOMMEDATION: SHORTLIST RANKING BY CATEGORY

UTILITIES				
FIRM				TOTAL
	Reviewer N. Appel	Reviewer B. Bryant	Reviewer T. Lanahan	
H2M Architects + Engineers	91	86	78	255
CAP Engineering	88	91	75	254
Engenuity Group Inc.	82	75	94	251

M/E/P				
FIRM				TOTAL
	Reviewer N. Appel	Reviewer B. Bryant	Reviewer T. Lanahan	
H2M Architects + Engineers	88	86	95	269
Kimley Horn	82	83	85	250
CAP Engineering	86	91	58	235

SURVEYING & MAPPING				
FIRM				TOTAL
	Reviewer N. Appel	Reviewer B. Bryant	Reviewer T. Lanahan	
Avirom Surveying & Mapping	91	87	98	276
ZNS Engineering, LLC	91	89	93	273
WGI	92	98	75	265
Engenuity Group Inc.	95	74	95	264
Craig A. Smith & Associates	87	87	68	242

Geo-Technical Construction materials testing & Inspections				
FIRM				TOTAL
	Reviewer N. Appel	Reviewer B. Bryant	Reviewer T. Lanahan	
Conemco Engineering, Inc.	94	88	95	277
ECS POC	78	98	90	266
CAP Engineering	83	91	75	249

CCNA RFQ 2026-01
CCNA ARCHITECTURE & ENGINEERING SERVICES
RECOMMEDATION: SHORTLIST RANKING BY CATEGORY

CONSTRUCTION				
FIRM				**TOTAL**
	Reviewer N. Appel	**Reviewer B. Bryant**	**Reviewer T. Lanahan**	
WGI	**96**	**98**	**67**	**261**

LANDSCAPE				
FIRM				**TOTAL**
	Reviewer N. Appel	**Reviewer B. Bryant**	**Reviewer T. Lanahan**	
WGI	**90**	**98**	**70**	**258**
Kimley Horn	**77**	**83**	**80**	**240**
ZNS Engineering, LLC	**91**	**89**	**59**	**239**

ARCHITECTURAL DESIGN				
FIRM				**TOTAL**
	Reviewer N. Appel	**Reviewer B. Bryant**	**Reviewer T. Lanahan**	
H2M Architects + Engineers	**92**	**86**	**85**	**263**
Netta Architects	**79**	**93**	**88**	**260**
WGI	**87**	**91**	**64**	**242**
Nyarko Architectural Group	**78**	**89**	**70**	**237**

TRANSPORTATION				
FIRM				**Total**
	Reviewer N. Appel	**Reviewer B. Bryant**	**Reviewer T. Lanahan**	
Kimley Horn	**83**	**83**	**92**	**258**
WGI	**91**	**90**	**55**	**236**

ANGELA REYES, LLC
GOVERNMENTAL ACCOUNTING SERVICES

MEMORANDUM

TO: City Manager
FROM: Angela Reyes LLC, Financial Consultant
DATE: June 22, 2026
SUBJECT: Summary of Financial Consulting Services, Deliverables Provided, and Ongoing Initiatives

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Purpose

The purpose of this memorandum is to provide a summary of the financial consulting services provided to the City of Pahokee, including completed tasks, documents developed, financial reviews performed, operational support provided, and ongoing initiatives currently underway.

The primary focus has been to assist the City with strengthening financial operations, improving compliance, preparing accurate financial information, supporting transparency, and establishing processes that promote long-term financial stability.

Budget Development and Financial Planning

Summary of Work Performed

Assisted the City with the development and review of the budget process by evaluating historical financial information, reviewing available resources, and assisting staff with preparation of budget documents.

Work completed included:

- Reviewed prior year adopted budgets and historical financial information.
- Assisted departments with organizing budget information.
- Reviewed revenues and expenditures by fund.
- Provided recommendations regarding budget presentation and financial reporting.
- Reviewed millage rate information including current millage rate and rollback rate calculations.
- Provided financial analysis to assist with budget decision-making.

Documents Provided

- FY2027 Budget Worksheets

- Department Budget Review Documents
- Historical Budget Information
- Revenue Analysis Worksheets
- Expenditure Review Worksheets
- Millage Rate and Taxing Authority Information
- Budget Presentation Materials
- Historical Budget Overview

Annual Audit and Financial Reporting Assistance

Summary of Work Performed

Assisted Administration and Finance staff with review and preparation of financial information needed for the annual audit process.

Work completed included:

- Reviewed audit status and outstanding documentation requirements.
- Assisted with identifying missing information needed by external auditors.
- Reviewed financial reports and supporting documentation.
- Reviewed financial statement information and provided questions/comments.
- Assisted with developing corrective action recommendations.

Documents Provided

- Audit Status Review
- Audit Document Request Tracking
- Financial Review Comments
- ACFR Review Recommendations
- Audit Follow-Up Items
- Forensic Audit Request

Financial Review and Internal Controls

Summary of Work Performed

Reviewed financial processes and provided recommendations to strengthen accountability, accuracy, and internal controls.

Work completed included:

- Reviewed financial processes and procedures.
- Discussed improvements to daily financial operations.
- Reviewed concerns related to financial reconciliations.
- Assisted with identifying areas requiring additional review.
- Provided recommendations to strengthen controls and documentation.

Documents Provided

- Financial Process Review Recommendations
- Internal Control Recommendations
- Corrective Action Recommendations
- Cash Overview Recommendations

Purchasing Policy Review and Process Improvements

Summary of Work Performed

Reviewed existing purchasing procedures and recommended updates to improve consistency, compliance, and accountability.

Work completed included:

- Reviewed current purchasing practices.
- Compared procedures against applicable requirements.
- Recommended updates to strengthen purchasing controls.
- Developed processes to improve documentation and approvals.

Updates addressed:

- Emergency purchases
- Expedited purchasing procedures
- Vendor payment processing
- Capital asset purchases
- IT equipment purchases
- Small purchase procedures
- Contract approval processes

Documents Provided

- Updated Purchasing Policy Draft
- Purchasing Process Workflow
- Emergency Purchase Procedures
- Vendor Payment Procedures

Summary of Work Performed

Assisted Administration with preparation related to the Office of Inspector General

review. Work completed included:

- Reviewed OIG requests and required documentation.
- Assisted with organizing information needed for response.
- Reviewed policies, procedures, and supporting documentation.
- Identified areas requiring corrective actions or improvements.
- Prepared staff for upcoming review discussions.

Ongoing Items

Currently assisting with:

- Overall City response to the JLAC.
- Preparation for the repones and OIG site visit.
- Coordination of supporting documents.
- Review of financial records.
- Development of corrective action responses where necessary.

Documents Provided / In Progress

- OIG Response Preparation
- Corrective Action Recommendations
- Supporting Documentation Review

Ongoing Administrative and Financial Support

Additional ongoing support includes:

- Meetings with City Administration and staff.
- Financial guidance regarding City operations.
- Review of financial questions and concerns.
- Assistance with improving communication between departments.
- Development of processes to improve efficiency and accountability.

Areas of continued focus:

- Monthly financial reporting improvements
- Audit completion
- Budget monitoring

- Policy implementation
- Internal control improvements
- Financial transparency

Conclusion

The financial consulting services provided have focused on assisting the City of Pahokee with improving financial operations, strengthening internal controls, supporting compliance requirements, improving budget practices, and preparing the City for future financial stability.

The documents and materials provided throughout this process are considered working documents developed to assist City Administration and staff with analysis, discussion, implementation, and decision-making. These documents are intended to serve as tools to support operational improvements and may continue to be updated as additional information is reviewed, processes are finalized, and City priorities evolve.

Continued efforts remain focused on completing outstanding financial priorities, implementing improved processes, supporting staff, and ensuring the City has accurate and reliable financial information for decision-making.

Thank you

Angela Reyes-Santana

Angela Reyes-Santana

CITY OF PAHOKEE, FLORIDA

Policy Workflows

Operational routes aligned with the Standard Operating Procedures manual

11

matched workflows

Assets • IT • Finance
Travel • Tuition • Grants
Ethics • Reporting

One deck. Eleven coordinated processes.

Use the SOP number to move directly from a workflow to the matching written procedure.

ASSET & IT

SOP-01 Capital assets
SOP-02 Employee retrieval
SOP-03 Elected official retrieval
SOP-04 IT assets & access

FINANCE

SOP-05 Credit cards
SOP-06 Travel
SOP-07 Tuition

GRANTS & ETHICS

SOP-08 Grant lifecycle
SOP-09 CDBG reimbursement
SOP-10 Fraud response
SOP-11 Whistleblower

Capital Asset Lifecycle

Trigger: Purchase, receipt, inventory exception, or disposal need

01 — Authorize

WHO: Requesting Department / Finance Department

PO issued before order

02 — Receive & tag

WHO: Receiving Department / Finance Department

Verify cost/serial; tag before issue

03 — Record & assign

WHO: Finance Director

Ledger/registry + named custodian

04 — Verify annually

WHO: Finance Department / IT Designee

Existence, location, condition

05 — Declare & dispose

WHO: Finance Department / Asset Custodian

Manager memo → Commission resolution → documented disposal

CONTROL GATE

No disposal before Commission resolution; police report within 24 hours for theft or unexplained loss.

Employee & Charter Officer Asset Retrieval

Trigger: Resignation, termination, retirement, suspension, or separation

WHO
Human Resources

01

Notify

HR alerts supervisor, Finance, and IT

WHO
Human Resources / Department Head / Finance / IT Services

02

Compile inventory

Assets, keys, records, accounts

WHO
IT Services

03

Secure access

2 hours involuntary; COB final day voluntary

WHO
Human Resources / Department Head / Separating Individual

04

Collect & inspect

Return by 4:00 p.m.; special Charter Officer timing

WHO
Human Resources / Finance / IT Services / City Manager

05

Close or recover

Signed form, data preserved, demand if missing

CONTROL GATE

Preserve City data before device reset; unresolved property requires assessment and written demand.

Elected Official Asset Retrieval

Trigger: Term expiration, resignation, removal, or failure to be re-elected

WHO
City Clerk

01

Give notice

About 30 days before known term end

WHO
City Clerk / IT Services / Finance Department

02

Reconcile inventory

Technology, keys, records, vehicle

WHO
Separating Elected Official / City Clerk

03

Collect property

By 4:00 p.m.; immediate upon removal

WHO
IT Services

04

Disable & preserve

Deactivate access; duplicate data to Clerk

WHO
City Clerk / Finance Director / City Manager

05

Sign & resolve

Asset Return Form; demand/legal recovery if needed

CONTROL GATE

The Clerk controls chain of custody; a removed official's remaining items are due by 10:00 a.m. next morning.

IT Assets, Access & Password Security

Trigger: Purchase, access request/change, reset, quarterly review, loss, separation, or disposal

01

WHO
Requesting Department / City Manager / IT Designee

Approve & buy

Manager + IT approval; PO; no card

02

WHO
Finance Department / IT Designee

Tag & register

Serial/MAC/IMEI, custodian, location

03

WHO
Department Head / City Manager / IT Services

Provision least privilege

Signed request; unique ID; MFA

04

WHO
IT Services / Finance Director / HR or City Clerk

Review or deactivate

Quarterly audit; separation deadlines

05

WHO
City Manager / City Attorney / City Commission / IT Services

Sanitize & dispose

Commission surplus action + certificate

CONTROL GATE

Password resets require verified identity, single-use temporary credentials, forced change, and an unalterable log.

Municipal Credit Card Use

Trigger: Card issuance, sign-out, purchase/travel, statement, loss, or suspected misuse

WHO
City Manager or City Commission / Finance Director

01

Authorize card

Manager or Commission approval + training

WHO
Finance Department / Cardholder

02

Sign out & preapprove

Document purpose, dates, cost, funding

WHO
Authorized Cardholder

03

Purchase & document

Authorized use; itemized support

WHO
Department Director / Finance Department / Independent Approver

04

Review & reconcile

Within 5 business days; independent approval

WHO
Finance Director / City Manager / City Commission

05

Pay, report & enforce

Timely payment; quarterly/annual oversight

CONTROL GATE

No self-approval. Return card within 24 hours after non-travel use or two business days after travel.

Official City Travel

Trigger: Need for local, day, overnight, in-state, or out-of-state official travel

WHO
Traveler / Department Head / Finance Director

01

Confirm authority

Budgeted? overnight? out-of-state? >$10K?

WHO
Traveler / Department Head / Finance Director

02

Prepare request

Purpose, agenda, estimates, GSA math

WHO
City Manager, Mayor-Commissioner, or City Commission

03

Approve before booking

Finance certification + correct independent approver

WHO
City Clerk / Traveler

04

Travel economically

Coach; GSA; tax exemption; no double-dip

WHO
Traveler / Finance Director

05

Log & settle

Receipts and Travel Log within 2 business days

CONTROL GATE

City Manager travel requires Mayor-Commissioner approval; Commissioner records require Manager and Finance approval.

Tuition Reimbursement

Trigger: Eligible employee seeks support for a qualifying degree course

WHO
Human Resources

01

Verify eligibility

Full-time, probation complete, 1 year good standing

WHO
Employee / Immediate Supervisor / City Manager

02

Preapprove

Supervisor + Manager before enrollment

WHO
Employee

03

Complete course

Off duty unless Manager approves otherwise

WHO
Employee / Human Resources

04

Submit within 30 days

Grade, tuition, payment, prior approval

WHO
Finance Department / Payroll

05

Calculate & pay

A 100% / B 80% / C 40%; payroll

CONTROL GATE

Maximum $2,000 per employee per fiscal year; three employees per calendar year; one-year service obligation after payment.

Grant Management: Pre-Award to Closeout

Trigger: Project concept, funding opportunity, award, grant transaction, amendment, or closeout

01

WHO
Recipient Department / Finance Department

Develop & assess

Need, outcomes, total cost, match, capacity

02

WHO
Recipient Department / Finance Department / City Authority

Authorize & apply

Complete NOFO review and approved submission

03

WHO
Finance Department / Recipient Department / City Manager / City Commission

Accept & set up

Review terms; fully execute; budget/project code

04

WHO
Recipient Department / Finance Department / Procurement

Perform & monitor

Allowable costs, three-way match, reports

05

WHO
Recipient Department / Finance Department / Grantor

Amend or close

Written approval before change; reconcile and retain

CONTROL GATE

No spending before full execution; reject unsupported lump-sum professional invoices; retain records at least five years after the audit year.

PBC DHES CDBG Reimbursement

Trigger: Monthly close and reimbursement cycle

WHO
Grant Administrator / Program Staff / HR / Accounts Payable

01

Gather evidence

Activity, paid timesheets, checks, fringe proof

WHO
Grant Administrator / Finance Department

02

Reconcile costs

Payroll/fringe agrees to activity and budget

WHO
Grant Administrator

03

Prepare package

Schedules I & III + spreadsheet + support

WHO
City Manager / Grant Administrator

04

Approve & submit

Manager approval; submit by monthly deadline

WHO
Finance Department / Grant Administrator

05

Receive & reconcile

Deposit, record, tracking log, grant balance

CONTROL GATE

Monthly invoice is due no later than the 15th; no request is submitted without complete supporting documentation.

Fraud, Waste & Abuse Response

Trigger: Observation, allegation, audit exception, control failure, or credible indicator

WHO
Employee, Official, Contractor, or Other Reporter

01

Report immediately

Internal leader, OIG, or Ethics channel

WHO
Receiving Official / Records Custodian

02

Preserve & protect

Secure evidence; prevent loss; no retaliation

WHO
City Manager / City Attorney; City Clerk if Manager is subject

03

Assign independent review

Clerk path if Manager is subject

WHO
Assigned Investigator / External Authority

04

Investigate or refer

OIG, Ethics, State Attorney, law enforcement

WHO
Appropriate City Authority / Finance / HR

05

Correct & recover

Findings, discipline, restitution, controls

CONTROL GATE

No subject or conflicted official controls the review; official-level findings require Commission notice and appropriate external referral.

Whistleblower Complaint Workflow

Trigger: Protected disclosure or allegation of retaliation

WHO
Receiving Official: Manager, HR Director, or City Attorney

01

Secure & log

Confidential intake; preserve identity/evidence

WHO
Receiving Official

02

Acknowledge

Written receipt within 3 business days

WHO
Receiving Official / Counsel

03

Assess & assign

Within 10 business days; check conflicts

WHO
Independent Investigator / OIG / State Attorney

04

Investigate

Independent path; complete within 60 days

WHO
City Manager or City Commission / HR

05

Remedy & close

Extension notice, findings, action, secure file

CONTROL GATE

Retaliation complaint: file within 60 calendar days; HR or independent reviewer completes expedited review within 30 days.

CITY OF PAHOKEE, FLORIDA

Standard Operating Procedures

For Administrative Policies Presented to the City Commission

Prepared from the Revised Administrative Policies and Procedures Manual

August 2026 | Implementation Draft

How to Use This Manual

Purpose. This manual translates the Council-presented policies into repeatable operating procedures. The controlling policy, Charter, Code, grant agreement, and applicable law prevail if a conflict is identified.

- Use the SOP number and title to match the corresponding PowerPoint workflow slide.
- Complete every listed approval, record, and control before advancing to the next stage.
- Where the policy assigns a specific deadline or approval path, that requirement is repeated in bold within the procedure.
- No SOP authorizes self-approval, circumvention of procurement thresholds, or disposal/expense activity lacking required support.

SOP Register

ID	SOP	Primary Owner
SOP-01	Capital Asset Management, Tracking, and Surplus Disposal	Finance Director
SOP-02	Retrieval of City Assets — Employees and Charter Officers	Human Resources Department
SOP-03	Retrieval of City Assets — Elected Officials	City Clerk
SOP-04	IT Asset, User Access, and Password Security	Finance Director and Contracted IT Services
SOP-05	Municipal Credit Card Use and Monthly Reconciliation	Finance Director
SOP-06	Official City Travel Authorization and Reconciliation	City Manager and Finance Director
SOP-07	Tuition Reimbursement	Human Resources, Finance, and City Manager
SOP-08	Grant Management — Pre-Award Through Closeout	Finance Department and Recipient Department
SOP-09	PBC DHES CDBG Monthly Reimbursement	Grant Manager/Administrator (Senior Accountant)
SOP-10	Fraud, Waste, and Abuse Reporting and Response	City Manager and City Attorney
SOP-11	Whistleblower Complaint Intake, Investigation, and Anti-Retaliation	City Manager, HR Director, or City Attorney as Receiving Official

SOP-01

Capital Asset Management, Tracking, and Surplus Disposal

Controlling policy: Capital Asset Management, Tracking, and Surplus Disposal Policy

Primary process owner: Finance Director

Scope: All City departments, personnel, contractors, elected officials, and authorized representatives handling City-owned capital assets or sensitive non-capital property.

Process trigger: Acquisition, donation, transfer, annual inventory, loss, theft, damage, obsolescence, or proposed disposal of City property.

Required records / forms: Purchase Order; receiving documentation; asset tag; Master Capital Asset Ledger/Vehicle Listing; IT Asset Registry; Asset Disposal Form; City Manager surplus memorandum; Commission resolution; police report or destruction receipt, when applicable.

Roles and Responsibilities

Role	Responsibility
Requesting Department / Custodian	Define business need; obtain approvals; receive and safeguard property; verify location and condition; report discrepancies, loss, or disposal need.
Finance Department	Control tags; verify cost and funding; tag assets; maintain ledgers; calculate straight-line depreciation; conduct annual inventory; process approved ledger adjustments.
IT Designee / Contractor	Coordinate tagging and registry entry for IT assets; sanitize IT assets before disposal.
City Manager	Evaluate proposed surplus property; provide written memorandum; authorize method after Commission declaration; report disposal decision.
City Attorney / City Commission	Attorney prepares surplus resolution; Commission declares property surplus before disposal and approves trade-ins.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**Requesting Department / Finance Department**	Initiate and authorize acquisition. Department documents the need and uses the formal purchasing process. A valid Purchase Order must be issued before ordering. Capital assets and sensitive IT equipment may not be purchased by City card, debit card, or employee reimbursement. Do not split purchases; use the City sales-tax exemption.
2	**Receiving Department / Finance Department**	Receive and validate. Route delivery to the designated receiving point. Verify item, quantity, condition, invoice, PO, serial/VIN, acquisition date, ancillary costs, and funding source. Donated property is recorded at fair market value documented by Finance.
3	**Finance Director**	Classify the property. Finance determines whether the item is a capital asset: non-consumable, useful life of at least one year, and unit acquisition cost of $5,000 or more including ancillary costs. Listed portable IT and other sensitive items are tracked regardless of cost but expensed in the year purchased.
4	**Finance Department / IT Designee**	Tag before issue. Finance, with IT when applicable, applies a unique pre-numbered City asset tag immediately upon receipt and before the item is issued to a custodian.

Step	Responsible Party (Who)	Required Action
5	**Finance Department / Asset Custodian**	Record and assign. Finance records all required fields in the Master Capital Asset Ledger or IT Asset Registry, including tag, description, serial/VIN, department, location, cost, funding, custodian, useful life, depreciation, and condition. Custodian accepts responsibility.
6	**Asset Custodian / Finance Department**	Maintain and verify. Custodian safeguards the asset and reports moves or condition changes. Finance records straight-line depreciation and completes a physical inventory at least once each fiscal year, verifying existence, location, custodian, and condition.
7	**Department Head / Finance Director**	Resolve discrepancies. Missing items, unrecorded disposals, or other discrepancies are reported immediately in writing to the City Manager, Finance Director, and City Commission for investigation. Theft or unexplained loss requires a police report within 24 hours.
8	**Department Head / City Manager / Finance Director**	Request surplus declaration. Department/Custodian completes the Asset Disposal Form. City Manager performs a good-faith evaluation and sends a written surplus memorandum to the Commission. City Attorney prepares the resolution for the next available agenda.
9	**City Attorney / City Commission**	Obtain Commission action. No property may be disposed of before the City Commission adopts a resolution declaring it surplus. The disposal form records the resolution date and number.
10	**City Manager / Finance Department**	Dispose and close the record. City Manager selects and reports the authorized method. For sale, advertise sealed bid or auction and award to the highest bidder subject to rejection authority. Attach sale, trade-in, scrap/destruction, donation, or police documentation. Deposit proceeds to the General Fund unless police-forfeiture restrictions apply. Finance removes or updates the asset only after complete documentation.

Required Control Checks

- $5,000 capitalization threshold; sensitive IT tracked regardless of value.
- PO before purchase; direct vendor payment; no card/personal reimbursement; no split transactions.
- Tag and registry entry before assignment.
- Annual physical inventory with written escalation of discrepancies.
- Commission resolution before any disposal; no employee, official, or relative private benefit.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-02

Retrieval of City Assets — Employees and Charter Officers

Controlling policy: Retrieval of City Assets and Equipment Policy (Updated)

Primary process owner: Human Resources Department

Scope: Employees and Charter Officers separating by resignation, termination, or retirement.

Process trigger: Confirmed separation date, resignation, termination, retirement, suspension, or other event requiring return of City property and deactivation of access.

Required records / forms: Assigned asset inventory; Asset Return Form; HR separation checklist; missing/damaged property assessment; written demand; records-transfer confirmation.

Roles and Responsibilities

Role	Responsibility
Human Resources	Lead the separation checklist; notify Finance and IT; coordinate retrieval; retain signed records in the personnel file.
Department Head / Supervisor	Identify physical and departmental property; coordinate surrender; certify return status.
Finance	Provide asset records; verify returned assets; assess replacement or repair cost; update ledgers.
IT Services	Inventory technology and accounts; preserve City data; disable access; secure and reset returned devices.
Separating Individual	Return all City property, transfer City records, disclose credentials/access, and sign the Asset Return Form.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**Human Resources**	Open separation case. HR records the official separation date and immediately notifies the supervisor, Finance, and IT. For an involuntary separation, coordinate controls before or during the separation meeting.
2	**Human Resources / Department Head / Finance / IT Services**	Compile the complete inventory. IT lists technology, accounts, credentials, and digital access. Finance and the department list keys, cards, badges, documents, vehicles, equipment, and other assigned property.
3	**Human Resources**	Set retrieval logistics. HR designates a secure return time and location and provides the separating individual with the inventory and return instructions.
4	**IT Services**	Secure digital access. IT disables network, email, VPN, cloud, financial-system, and other access using the IT-policy timeline: within two hours after notice for involuntary terminations; no later than close of business on the final day for voluntary separations.
5	**Human Resources / Department Head / Separating Individual**	Collect and inspect property. All property must be returned no later than 4:00 p.m. on the official separation date. Charter Officers terminated during a public meeting surrender items immediately after the meeting; remaining items are due by 10:00 a.m. the following morning. Inspect each item against the inventory.

Step	Responsible Party (Who)	Required Action
6	**IT Services / Records Custodian**	Transfer and preserve records. Before wiping any device, IT creates a comprehensive data duplicate and transfers it to the appropriate City custodian. Official City records stored elsewhere must be transferred to the City.
7	**Human Resources / Finance / IT Services**	Document completion. The separating individual and City representative sign the Asset Return Form. HR retains a copy; Finance and IT update their records. Returned devices may be restored to City default configuration only after data preservation is confirmed.
8	**Finance Director / City Manager**	Escalate missing or damaged items. Finance assesses replacement or repair cost, excluding normal wear and tear. The City Manager issues a written demand when property remains outstanding, and the City may pursue recovery through lawful means.

Required Control Checks

- One coordinated inventory from HR, Finance, IT, and the department.
- Time-specific return and access-deactivation deadlines.
- Data preserved before device reset.
- Dual signatures on Asset Return Form.
- Cost assessment and written demand for unresolved property.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-03

Retrieval of City Assets — Elected Officials

Controlling policy: Asset & Equipment Retrieval – Elected Officials (New)

Primary process owner: City Clerk

Scope: Mayor and City Commissioners separating because of term expiration, resignation, removal, or failure to be re-elected.

Process trigger: Confirmation of an elected official's separation date.

Required records / forms: Assigned asset inventory; Asset Return Form; records-transfer confirmation; missing/damaged property assessment; City Manager written demand.

Roles and Responsibilities

Role	Responsibility
City Clerk	Lead retrieval; give notice and inventory; coordinate location; collect keys, documents, vehicles, and property; retain signed record.
IT Services	Inventory technology/accounts; disable access; duplicate data for the Clerk; reset devices after confirmation.
Finance	Provide registry data; verify assets; assess replacement or repair cost.
City Manager	Issue written demand and direct lawful recovery when property is not returned.
Separating Official	Return property and City records by deadline; sign the Asset Return Form.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**City Clerk**	Begin 30-day preparation. When a term ending is known, the Clerk notifies the official approximately 30 days before separation and provides the assigned-equipment inventory. The Clerk or City Manager's Office immediately notifies IT and Finance of the confirmed separation date.
2	**City Clerk / IT Services / Finance Department**	Reconcile inventories. IT and the Clerk compile technology, accounts, credentials, physical property, keys, documents, and any assigned vehicle. Resolve differences with Finance's registries before the return appointment.
3	**City Clerk**	Schedule secure surrender. The Clerk identifies a secure time and location, which may be immediately after the final meeting or official event.
4	**Separating Elected Official / City Clerk**	Collect by policy deadline. Property is due no later than 4:00 p.m. on the official separation date. Upon removal from office, the official immediately surrenders property to the Clerk; missing items are due by 10:00 a.m. the following morning. Assigned vehicles must be fueled and returned with all keys and documentation.
5	**IT Services**	Deactivate access. IT disables network access, email, cloud, VPN, and remote privileges on the effective separation date in accordance with the IT access policy.
6	**City Clerk / Separating Elected Official**	Verify and sign. The Clerk checks each item against the issued-equipment list. The official and inspecting representative sign the Asset Return Form; the Clerk sends copies to the appropriate records custodians.

Step	Responsible Party (Who)	Required Action
7	**Separating Elected Official / City Clerk / IT Services**	Preserve City records. The official transfers all City business records, including records on personal devices or cloud storage, to the Clerk. IT duplicates retrieved device data to the Clerk before resetting devices to City defaults.
8	**Finance Director / City Manager**	Resolve noncompliance. Finance assesses replacement or repair cost for loss or damage beyond normal wear. The City Manager issues a formal written demand and the City may pursue recovery of property or value through available legal remedies.

Required Control Checks

- Clerk-led chain of custody.
- 30-day advance notice when feasible.
- Immediate access deactivation and records preservation.
- Dual-signed return record.
- Formal demand and legal recovery for noncompliance.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-04

IT Asset, User Access, and Password Security

Controlling policy: IT Asset Management, User Access, and Password Security Policy

Primary process owner: Finance Director and Contracted IT Services

Scope: All City personnel, elected officials, volunteers, contractors, vendors, devices, networks, financial systems, email, cloud services, and municipal data.

Process trigger: IT purchase, device receipt/assignment/transfer/disposal, new or changed access, password reset, quarterly review, security incident, or separation.

Required records / forms: IT purchase approval; PO; IT Asset Registry/Mobile Device Registry; IT Access Request Form; password reset log; quarterly access-review record; Asset Disposal Form; data-sanitization/destruction certificate; police report.

Roles and Responsibilities

Role	Responsibility
Department Head	Initiate access request; approve business need; notify HR of changes; enforce least privilege.
City Manager	Approve IT purchases and access requests in writing.
Finance	Receive/tag assets; maintain registry; coordinate quarterly user audit; retain contractor acknowledgments.
Contracted IT Services	Approve technical specifications; provision unique accounts; enforce MFA/password controls; log resets; deactivate access; sanitize devices.
HR / City Clerk	Notify IT of personnel or official changes; retain acknowledgments and training records.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**Requesting Department / City Manager / IT Designee**	Procure through controlled process. Department obtains written joint approval of the City Manager and IT designee before a PO is issued. No IT hardware or software may be purchased by City card, debit card, or employee reimbursement.
2	**Finance Department / IT Designee**	Receive, tag, and register. Deliver hardware directly to Finance and IT. Before issue, apply a City tag and enter device, serial, MAC/IMEI, phone/carrier where applicable, custodian, location, cost, dates, useful life, and disposal/de-provisioning information.
3	**Department Head / City Manager / IT Services**	Authorize access. Department Head submits an IT Access Request Form; City Manager approves in writing. IT creates a unique individual account and grants only the minimum access needed. Shared or anonymous daily-use accounts are prohibited; privileged access is restricted to IT.
4	**IT Services / User**	Enforce authentication. Require passwords of at least 12 characters using three of four character categories, excluding prohibited personal or sequential elements. Require MFA for remote access and all financial/AP-system users. Apply 90-day rotation and prevent reuse of the last 10 passwords, subject to approved IT-consultant updates.

Step	Responsible Party (Who)	Required Action
5	**IT Services / Finance Director**	Reset securely. User contacts the IT help desk. IT verifies identity, issues a randomized single-use temporary password, forces change at next login, and records date, time, requester, and technician in an unalterable reset log.
6	**IT Services**	Review access quarterly. IT and the Finance Director audit all active users quarterly and promptly disable dormant or orphaned accounts.
7	**Human Resources / City Clerk / IT Services**	Deactivate on separation. HR immediately notifies IT. IT disables all logins, VPN, email, software, and cloud credentials within two hours for involuntary terminations, and by close of business on the last service day for voluntary separations or term expirations.
8	**Asset Custodian / IT Services / Finance Director**	Respond to loss or theft. Custodian files a police report within 24 hours and submits it to IT and Finance. IT revokes credentials and takes protective action; Finance documents the loss and processes approved ledger adjustment.
9	**City Manager / City Attorney / City Commission / IT Services**	Dispose securely. Commission must declare obsolete/damaged IT equipment surplus. IT performs certified data sanitization; attach the certificate to the Asset Disposal Form before physical disposal or donation.

Required Control Checks

- Joint Manager/IT approval and PO before purchase.
- Tag and registry entry before assignment.
- Unique IDs, least privilege, MFA, quarterly access reviews.
- Verified and logged password resets.
- Commission surplus approval plus certified sanitization before disposal.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-05

Municipal Credit Card Use and Monthly Reconciliation

Controlling policy: Municipal Credit Card Use Policy and Internal Control Procedures

Primary process owner: Finance Director

Scope: All City-issued general-purpose and vendor/store cards, cardholders, supervisors, Charter Officers, elected officials, and Finance staff.

Process trigger: Card issuance, sign-out, purchase, travel, emergency use, statement receipt, lost/stolen card, violation, quarterly reporting, or annual review.

Required records / forms: Commission or City Manager issuance approval; Credit Card User Agreement; sign-out/return log; purchase/travel pre-approval; itemized receipt; business-purpose statement; missing-receipt affidavit; monthly reconciliation; quarterly activity report.

Roles and Responsibilities

Role	Responsibility
Cardholder	Complete training; secure card; obtain pre-approval; make authorized purchase; return card; submit receipts and reconcile statement.
Department Director	Review public purpose, budget, policy compliance, account coding, and documentation; never self-approve.
Finance Staff / Director	Secure cards; administer limits; review and reconcile; process timely payment; monitor fraud/tax; report quarterly and annually.
City Manager / Mayor or Designee	Approve transactions at the independent level required by policy, including Commissioner and Charter Officer paths.
City Commission	Approve issuance to elected officials and Charter Officers; receive quarterly and annual reports.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**City Manager or City Commission / Finance Director**	Authorize issuance. Obtain written City Manager approval for employee cards; obtain formal Commission action for elected officials and Charter Officers. Finance records limits and the cardholder signs the agreement after training.
2	**Finance Department / Cardholder**	Secure and sign out. Finance stores cards in the Finance Director's office safe. Cardholder signs the card out, safeguards it, and does not lend it. Return within 24 hours after a non-travel purchase or within two business days after travel.
3	**Cardholder / Approving Authority**	Obtain pre-approval. Before travel or other required spending, document business purpose, dates, estimated costs, funding source, and approvals. Cards issued to Commissioners are used solely for travel.
4	**Authorized Cardholder**	Make an authorized purchase. Use the card only for documented official business and within limits. Do not make personal, cash-advance, alcohol, gift-card, split, political, family/guest, taxable, insecure-online, unapproved subscription, or other prohibited purchases.

Step	Responsible Party (Who)	Required Action
5	**Cardholder / Finance Department**	Document promptly. Submit itemized receipt, specific business-purpose statement, approvals, travel authorization, and conference/meeting support by the next business day for purchases or within 48 hours/two business days after travel. Seek duplicate receipts; use an approved missing-receipt affidavit only when necessary.
6	**Cardholder / Finance Director**	Correct sales tax. Present the exemption before purchase. If tax is charged, seek a vendor refund. Finance may document a written exception only for circumstances beyond the cardholder's control.
7	**Cardholder / Department Director**	Reconcile monthly. Within five business days after receiving the statement, cardholder submits the reconciled statement and complete support. Department Director independently reviews accuracy, public purpose, budget, coding, and policy compliance.
8	**Finance Director / Mayor or Designee / City Manager**	Apply special approval path. Finance reviews Charter Officer statements, then Mayor or Commission-designated designee approves. Finance Director's own statement is approved by the City Manager. Commissioner expenses are reviewed by Finance and approved by the City Manager. No one approves their own charges.
9	**Finance Department / Finance Director**	Pay and monitor. Finance independently verifies coding, math, tax, duplicates/fraud indicators, completeness, and timeliness; tracks due dates and processes payment early enough to avoid charges. Delinquencies are escalated promptly.
10	**Finance Director / City Manager / City Commission**	Report and enforce. Finance Director performs monthly sampling, prepares quarterly activity reports for the City Manager/Commission, and completes an annual compliance review. Lost/stolen cards are reported immediately to the issuer, Finance, and supervisor. Misuse may result in suspension, repayment, discipline, or referral.

Required Control Checks

- Finance custody and sign-out log.
- Itemized support and specific public purpose.
- Five-day monthly reconciliation deadline.
- Strict segregation of duties and no self-approval.
- Quarterly Commission reporting and annual compliance review.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-06

Official City Travel Authorization and Reconciliation

Controlling policy: Travel Policy (Updated)

Primary process owner: City Manager and Finance Director

Scope: Employees, Charter Officers, elected officials, approved volunteers, advisory board members, Youth Council members, and other authorized travelers conducting City business.

Process trigger: Identified need for local, in-state, out-of-state, day, or overnight official travel.

Required records / forms: Travel Request Form with backup and Finance certification; budget/Commission authorization or resolution; itinerary; agenda; receipts; Travel Log; Direct Payment Request when reimbursement is due.

Roles and Responsibilities

Role	Responsibility
Traveler / Department Head	Plan early; document purpose and estimates; obtain approval; comply with travel standards; submit final log and receipts.
Finance Director	Certify budget, public purpose, math, and GSA calculations; review final log; calculate settlement.
City Manager	Approve day travel and rental vehicles; approve employee travel within policy; independently approve Commissioner travel records with Finance.
City Clerk	Prepare and book elected-official travel; maintain required backup.
Mayor-Commissioner / City Commission	Mayor-Commissioner approves City Manager travel; Commission approves travel through budget or resolution where required.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**Traveler / Department Head / Finance Director**	Confirm authority and budget. Determine travel class, public purpose, budget availability, and approval route. Routine budgeted day travel may follow department/Manager approval; overnight travel is approved in the annual budget or by resolution. Unbudgeted, out-of-state, or travel over $10,000 requires Commission action.
2	**Traveler / Department Head / Finance Director**	Prepare Travel Request. Traveler completes one request per trip with dates, destination, purpose, agenda/brochure, registration, airfare, lodging, transportation, GSA per diem, and funding. Department Head reviews first; Finance certifies budget, purpose, cost-effectiveness, and calculations.
3	**City Manager, Mayor-Commissioner, or City Commission as applicable**	Apply independent approval. No traveler self-approves. City Manager travel request, card charges, and Travel Log require written Mayor-Commissioner approval. Commissioner travel records require City Manager and Finance Director approval. Clerk prepares elected-official travel forms and arrangements.
4	**City Clerk / Traveler**	Approve before booking. All required signatures must be obtained before registration or hotel, air, or rental reservations are paid. City Clerk makes travel arrangements under the policy.

Step	Responsible Party (Who)	Required Action
5	**Traveler**	Use economical travel standards. Book standard economy/coach airfare; retain unredacted fare-class itinerary. Use City vehicle when provided. Personal-vehicle mileage follows the GSA rate and cannot also claim fuel. Rental vehicles require prior written City Manager approval and are limited to economy/compact/mid-size unless the stated five-traveler exception is pre-approved by Finance.
6	**Traveler / City Clerk / Finance Department**	Control lodging and meals. Use reasonable government/conference rates and City tax exemption. Overnight meals follow GSA; first and last days are 75% of the active destination rate. Do not claim meals already included in registration. No meal reimbursement for non-overnight travel outside the County or travel within Palm Beach County. Do not charge meals to a City card when per diem is paid.
7	**Traveler**	Submit final Travel Log. Within two business days after return, submit the Travel Log, original itemized receipts, agenda, itinerary, and all support to Finance. Return any amount due to the City with the log.
8	**Finance Director / Traveler**	Reconcile and settle. Finance compares actuals with the approved request. If the traveler is owed, attach a Direct Payment Request. If the City is owed, traveler repays within the required timeframe. Missing or untimely documentation triggers suspension and enforcement under the policy.

Required Control Checks

- Approval and Finance certification before any booking/payment.
- No self-approval; special City Manager and Commissioner routes.
- GSA rates and 75% first/last-day rule.
- No duplicate per diem/card meal payment.
- Travel Log and original support due within two business days.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-07

Tuition Reimbursement

Controlling policy: Tuition Reimbursement Policy (Updated)

Primary process owner: Human Resources, Finance, and City Manager

Scope: Eligible regular full-time employees working at least 37.5 hours weekly who completed probation and have been in good standing for one year.

Process trigger: Employee requests pre-approval for a qualifying associate, bachelor, or postgraduate course related to current work or a future municipal job.

Required records / forms: Tuition Reimbursement Pre-Approval Request; Tuition Reimbursement Approval Form; supervisor and City Manager approvals; proof of tuition/payment; official grade; payroll authorization; repayment agreement when applicable.

Roles and Responsibilities

Role	Responsibility
Employee	Seek pre-approval; attend off duty unless approved; pay eligible tuition; submit grade and proof within 30 days; satisfy one-year service obligation.
Supervisor	Confirm job/career alignment, performance standing, scheduling, and operational impact; approve request.
Human Resources	Verify eligibility, annual participation limit, and first-come status; retain program records.
City Manager	Approve participation and any class attendance during work hours; approve repayment plan with Finance.
Finance / Payroll	Verify limits, grade percentage, other funding, tax treatment, and process payment through payroll.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**Human Resources**	Verify eligibility. HR confirms regular full-time status, probation completion, one year in good standing, qualifying curriculum, and availability within the three-employee annual limit.
2	**Employee / Immediate Supervisor / City Manager**	Obtain pre-approval. Before enrollment, employee completes the pre-approval request. Supervisor confirms relevance and scheduling; City Manager provides authorization. Classes occur off duty unless the City Manager approves otherwise in writing.
3	**Employee**	Complete the course. Employee completes the approved course and retains tuition invoice and proof of payment. Books, travel, parking, equipment, administrative fees, and other listed secondary expenses are excluded.
4	**Employee / Human Resources**	Submit reimbursement package. Within 30 days after course completion, employee submits the approval form, prior authorization, tuition proof, payment proof, and successful official grade.
5	**Human Resources / Finance Department**	Check duplicate funding and limits. HR/Finance confirms the tuition was not paid by GI Bill, scholarship, fellowship, grant, or another source. Reimbursement cannot exceed $2,000 per employee per fiscal year.

Step	Responsible Party (Who)	Required Action
6	**Finance Department**	Calculate reimbursement. Apply 100% for grade A, 80% for B, 40% for C, and no reimbursement for lower grades, limited to eligible instruction/tuition charges.
7	**Finance Department / Payroll**	Apply tax treatment and pay. Finance determines calendar-year educational assistance under IRC §127. Amounts above $5,250 are taxable compensation. Payment is routed through payroll, not Accounts Payable.
8	**Human Resources / Finance Director / City Manager**	Monitor service obligation. Employee must remain employed for one year after payment. If separation occurs earlier, calculate the repayment due; a lump sum or up to six monthly payments may be approved by the Finance Director and City Manager.

Required Control Checks

- Pre-approval before enrollment.
- Three employees per calendar year, first come/first served.
- $2,000 per employee per fiscal year.
- Grade-based percentage and no duplicate funding.
- Payroll processing and one-year post-payment service obligation.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-08

Grant Management — Pre-Award Through Closeout

Controlling policy: Grant Management Policy and Procedures

Primary process owner: Finance Department and Recipient Department

Scope: All City personnel preparing proposals, accepting/administering awards, spending or reporting grant funds, and managing grant-funded assets or contracts.

Process trigger: Project concept, funding opportunity, grant application, award notice, grant-funded transaction, amendment, reporting date, monitoring event, or closeout.

Required records / forms: Grant opportunity analysis; approval to submit; application and NOFO file; Commission agenda item; executed award; grant budget/project code; PO, itemized invoice, receiving report, attestation; reimbursement/report package; reconciliation; amendment; closeout report; grant inventory and retention file.

Roles and Responsibilities

Role	Responsibility
City Commission	Set policy/budget and approve awards or commitments requiring Commission action.
City Manager / AOR	Serve as authorized organizational representative; approve permissible waivers and award actions.
Finance	Coordinate grant tracking, proposal support, Commission items, accounting, reimbursement requests, reports, compliance, reconciliation, and closeout.
Recipient Department	Develop project; obtain approval; manage scope, performance, vendors, deliverables, reports, and grant-funded property.
City Attorney / Procurement / HR	Review agreements and legal terms; apply procurement and labor/payroll controls as applicable.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**Recipient Department / Finance Department**	Develop the project. Define public need, scope, measurable outcomes, total cost, match, staffing, cash flow, partners, sustainability, and alignment with City priorities before pursuing funding.
2	**Recipient Department / Finance Department**	Assess the opportunity. Read the complete NOFO/FOA. Confirm eligibility, deadline, match, allowable costs, partnerships, required support, capacity, political/conflict issues, and whether benefit exceeds implementation burden.
3	**Recipient Department / Finance Department / City Manager / City Commission**	Obtain authorization and prepare application. Recipient Department works with Finance to obtain approval, build the budget/narrative, gather documents, and prepare any Commission agenda item. Submit only a complete, authorized application through the designated representative.
4	**Finance Department / Recipient Department / City Attorney**	Review and accept award. Finance and the benefitting department review scope, budget, conditions, reporting, procurement, legal, and operational obligations. Obtain legal/Commission/Manager approvals and full execution before any grant funds are spent.

Step	Responsible Party (Who)	Required Action
5	**Finance Department**	Establish financial controls. Create grant/project identifiers and budget. Record award and match. Schedule reporting and reimbursement deadlines. Maintain separate, traceable records and an inventory of grant-funded assets.
6	**Recipient Department / Procurement / Finance Department**	Authorize and procure. Confirm the cost is allowable, allocable, reasonable, within scope and period, and not an impermissible supplanting. Follow the stricter of grantor/federal and City procurement rules. Address conflicts before participation.
7	**Finance Department / Department Director / Receiving Employee**	Verify each payment. Require a valid pre-authorized PO, fully itemized invoice matching contract rates, signed/dated receiving report, and Department Director attestation. Reject lump-sum or non-itemized professional-service invoices when the contract requires hourly/cost support.
8	**Recipient Department / Finance Department**	Monitor performance and report. Recipient Department verifies deliverables and progress; Finance reconciles revenues, expenditures, match, reimbursements, and reports. Submit accurate programmatic and financial reports by grantor deadlines.
9	**Recipient Department / Finance Department / Grantor / City Authority**	Request changes before spending. Do not spend outside the approved scope or reallocated budget until the grantor and required City authorities approve the amendment or extension in writing.
10	**Recipient Department / Finance Department**	Close out. At least 90 days before end, assess extension need, collect final invoices, reconcile all revenue/expense, submit final reimbursement and deliverables, complete grant and asset records, and provide closeout copies to Finance.
11	**Finance Department / Records Custodian**	Retain and audit. Retain grant records at least five years after the audit year of the last expenditure, longer when the grantor or unresolved audit/litigation requires. Support monitoring and audit requests.

Required Control Checks

- No spending before full award execution.
- Allowable, allocable, reasonable, within scope and performance period.
- Three-way match plus Department Director attestation.
- No unsupported lump-sum/non-itemized professional invoices.
- Written grantor approval before scope/budget changes; five-year minimum retention.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-09

PBC DHES CDBG Monthly Reimbursement

Controlling policy: PBC DHES – CDBG Grant Procedures

Primary process owner: Grant Manager/Administrator (Senior Accountant)

Scope: Palm Beach County DHES CDBG code-enforcement award, related program staff, payroll/fringe costs, reimbursements, monitoring, and closeout.

Process trigger: Monthly close, no later than the monthly reimbursement deadline, and upon receipt of County reimbursement.

Required records / forms: Schedule I Invoice Cover Sheet; Schedule III Detailed Monthly Narrative; payroll/fringe spreadsheet; check stubs; paid-period timesheets; daily activity records; health/life, retirement, and workers' compensation proof; approval; submission copy; deposit record; reimbursement tracking/reconciliation sheet.

Roles and Responsibilities

Role	Responsibility
Code Enforcement Officer	Maintain daily activity records that agree to time and payroll; submit monthly.
Human Resources / AP	Provide paid-period timesheets, payroll checks, insurance, retirement, and workers' compensation proof.
Grant Administrator / Finance	Gather, reconcile, prepare, submit after approval, track receipt, maintain files, and reconcile the grant.
Finance Director	Provide budgets; verify funding; monitor activity; support grantor monitoring.
City Manager / Clerk / Commission	Manager approves each request; Clerk manages executed award submission; Commission approves the grant.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**Grant Administrator / Program Staff / HR / Accounts Payable**	Open monthly cycle. By the monthly close, identify pay periods with check dates in the requested month and request supporting records. Invoice submission is monthly and due no later than the 15th day.
2	**Grant Administrator / Finance Department**	Gather program and payroll evidence. Collect daily activity records, paid timesheets, payroll check detail, and proof of health/life insurance, retirement, and workers' compensation.
3	**Grant Administrator**	Reconcile eligible costs. Finance reconciles payroll and fringe costs to payroll, activity records, the grant budget, and the period requested. Resolve differences before preparation.
4	**Grant Administrator / Finance Department**	Prepare request. Complete the payroll/fringe spreadsheet, Schedule III Detailed Monthly Narrative, and Schedule I Invoice Cover Sheet with grant number, pay periods/check dates, and invoice total.
5	**Grant Administrator / Finance Director**	Assemble and quality-check package. Confirm the original invoice, narrative, spreadsheet, check stubs, timesheets, daily records, and all fringe proof are complete and mutually consistent.
6	**City Manager**	Obtain approval. Submit the complete package to the City Manager for approval. No incomplete or unapproved package may be sent.

Step	Responsible Party (Who)	Required Action
7	**Grant Administrator**	Submit and retain. Submit to the grantor by the deadline and retain both a hard-copy package and a scanned copy in the grant file.
8	**Finance Department**	Receive and record reimbursement. Upon receipt, Finance verifies the amount, deposits the funds, records the payment in the accounting system, and updates the reimbursement tracking log.
9	**Finance Department / Grant Administrator**	Reconcile grant balance. Update the reconciliation sheet for award, requests submitted, adjustments, reimbursements received, and remaining balance. Use it for monitoring, closeout, and audit.

Required Control Checks

- Activity records must agree to payroll/timesheets.
- Only pay periods paid within the requested month.
- Complete package before Manager approval/submission.
- Separate program reporting, preparation, and approval roles.
- Deposit/accounting entry agrees to reimbursement log and grant reconciliation.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-10

Fraud, Waste, and Abuse Reporting and Response

Controlling policy: Anti-Fraud, Waste, and Abuse Policy

Primary process owner: City Manager and City Attorney

Scope: All employees, Charter Officers, elected officials, contractors, transactions, records, procurement, assets, allowances, reimbursements, and City programs.

Process trigger: Observation, allegation, audit exception, control failure, or credible indication of fraud, waste, abuse, unethical conduct, falsified records, misuse, or unauthorized benefit.

Required records / forms: Written report/intake record; supporting evidence; conflict/recusal record; initial review; referral record; investigation report; Commission notice; restitution/corrective-action record; acknowledgment/training record.

Roles and Responsibilities

Role	Responsibility
Reporter / Supervisor / HR	Report suspected conduct immediately through an authorized channel; preserve information; do not retaliate.
City Manager and City Attorney	Coordinate immediate initial review and legal/compliance response.
City Clerk	Coordinate when the City Manager is the subject; notify Commission when findings involve a Charter Officer or elected official.
Independent / External Authority	OIG, Ethics Commission, State Attorney, or law enforcement investigates or receives referral as appropriate.
Finance / HR	Preserve financial and personnel records; implement control, discipline, and restitution actions as authorized.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**Employee, Charter Officer, Elected Official, Contractor, or Other Reporter**	Report immediately. Submit suspected fraud, waste, abuse, or unethical conduct to a supervisor/Department Head, HR Director, City Manager, Palm Beach County OIG, or Florida Commission on Ethics as appropriate. Good-faith reporters are protected from retaliation.
2	**Receiving Official / Records Custodian / IT Services as needed**	Secure evidence and prevent further loss. Preserve documents, logs, devices, payment records, and other evidence. Limit access to those with a need to know; do not alert subjects in a manner that compromises the review.
3	**City Manager / City Attorney; City Clerk if City Manager is subject**	Select an independent review path. City Manager and City Attorney coordinate the initial review. If the City Manager is the subject, the City Clerk coordinates. Anyone with a conflict or who is the subject must not control the review.
4	**Assigned Reviewer / City Attorney**	Assess credibility and exposure. Document the allegation, public funds/assets involved, applicable contract/policy/law, immediate control risk, and need for outside referral.

Step	Responsible Party (Who)	Required Action
5	**City Manager / City Attorney / External Authority**	Refer and cooperate. When evidence suggests credible fraudulent activity, notify and cooperate with the Palm Beach County OIG, Florida Commission on Ethics, State Attorney, or local law enforcement as appropriate.
6	**Assigned Investigator / Appropriate City Authority**	Complete findings and action. Document substantiated and unsubstantiated findings, affected transactions, control failures, responsible parties, and recommended corrective action, while respecting confidentiality and due process.
7	**City Clerk / City Commission**	Escalate official misconduct. If findings involve a Charter Officer or elected official, the City Clerk notifies all Commissioners in writing and the City refers findings to the appropriate state authorities identified in policy.
8	**Finance Department / HR / City Manager or City Commission**	Recover and remediate. Pursue lawful restitution or civil recovery for unauthorized benefits or losses; correct records; strengthen controls; and impose authorized discipline or contract remedies.
9	**Human Resources**	Train and retain acknowledgment. HR conducts annual fraud, purchasing, and ethics training and retains signed acknowledgments within 30 days after adoption or upon hire/taking office.

Required Control Checks

- Mandatory immediate reporting.
- Anti-retaliation protection for good-faith reports.
- Independent review when a subject or conflict exists.
- External referral for credible fraud or official misconduct.
- Restitution, discipline, control remediation, annual training.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

SOP-11

Whistleblower Complaint Intake, Investigation, and Anti-Retaliation

Controlling policy: Whistleblower Protection and Retaliation Prevention Policy (Updated)

Primary process owner: City Manager, HR Director, or City Attorney as Receiving Official

Scope: Employees, Charter Officers, elected officials, contractors, vendors, volunteers, advisory bodies, and members of the public making protected disclosures.

Process trigger: Receipt of a disclosure alleging a violation of law, gross mismanagement, malfeasance/misfeasance, gross waste, abuse of authority, or neglect of duty; or receipt of a retaliation complaint.

Required records / forms: Written/signed complaint when possible; confidential intake log; 3-business-day acknowledgment; 10-business-day assessment; referral/recusal record; investigation file; extension notice; final report; retaliation complaint; remedy/corrective-action record.

Roles and Responsibilities

Role	Responsibility
Receiving Official	Log complaint; acknowledge; protect identity; coordinate preliminary assessment.
City Attorney / Independent Counsel	Advise statutory assessment; ensure recusal; refer official-level matters; direct legally compliant investigation.
Independent Investigator / OIG / State Attorney	Investigate matters requiring independence or external authority.
HR Director	Receive personnel/retaliation matters; conduct or coordinate expedited retaliation review.
City Manager / City Commission	Implement remedies and discipline at the authority level specified by policy.

Procedure — Who Does What

Step	Responsible Party (Who)	Required Action
1	**Receiving Official: City Manager, HR Director, or City Attorney**	Receive and secure. Accept written, signed, detailed disclosures when possible; accept anonymous reports to the extent possible. Date-stamp, restrict access, protect identity, and preserve evidence. Do not promise statutory protection beyond what law permits.
2	**Receiving Official**	Log and acknowledge. Receiving official logs the complaint and issues written acknowledgment to the whistleblower within three business days.
3	**Receiving Official / City Attorney or Independent Counsel**	Check conflicts and assign reviewer. No subject of the complaint may participate. Use independent legal counsel if the City Attorney is implicated. If the complaint involves the City Manager, City Clerk, or a Commissioner, the City Attorney immediately refers it to an independent investigator, OIG, or State Attorney.
4	**Receiving Official / Counsel**	Complete preliminary assessment. Within 10 business days, receiving official and appropriate counsel determine whether the disclosure meets the statutory/policy definition and identify the proper investigation or external channel.
5	**Independent Investigator / OIG / State Attorney as assigned**	Investigate confidentially. Gather records, conduct interviews, analyze facts, and maintain identity and active-investigation confidentiality as required. Document chain of custody and all material decisions.

Step	Responsible Party (Who)	Required Action
6	**Assigned Investigator / Receiving Official**	Complete or extend. Complete the investigation within 60 calendar days of filing. If complexity requires extension, notify the whistleblower and City Commission in writing with reasons.
7	**City Manager or City Commission**	Issue findings and corrective action. Document findings and recommended action. City Manager implements remedies; City Commission acts when retaliation was directed by a Charter Officer or elected official. Refer external matters as required.
8	**HR Director or City Manager / Independent Investigator**	Handle retaliation complaint. A person alleging retaliation files with HR—or City Manager if HR is involved—within 60 calendar days of the retaliatory act. HR or an independent investigator completes an expedited review within 30 days.
9	**City Manager or City Commission / HR / Finance as applicable**	Apply remedies and discipline. When retaliation is substantiated, implement applicable reinstatement, back pay/benefits, record correction, costs, or contract relief and discipline the retaliator at the proper authority level.
10	**Receiving Official / Records Custodian / HR / City Clerk**	Close and retain securely. Record closure/inactive date, preserve the confidential file, communicate permitted outcome information, and maintain acknowledgments and biennial/new-hire training records.

Required Control Checks

- Acknowledgment within 3 business days.
- Preliminary assessment within 10 business days.
- No self-investigation; independent referral for key officials.
- Investigation within 60 calendar days or written extension.
- Retaliation complaint within 60 days; expedited review within 30 days.

Completion standard: The process is complete only when required approvals are documented, source records reconcile, the responsible register or accounting record is updated, and unresolved exceptions are escalated to the authority identified in the controlling policy.

Workflow–SOP Synchronization Matrix

Each row identifies the matching slide in the companion PowerPoint deck. The same trigger, owners, control gates, deadlines, and closeout records are used in both deliverables.

SOP	Process	Slide	Key gate
SOP-01	Capital Asset Management, Tracking, and Surplus Disposal	3	Commission resolution before disposal
SOP-02	Retrieval of City Assets — Employees and Charter Officers	4	Return and deactivate by separation deadlines
SOP-03	Retrieval of City Assets — Elected Officials	5	Clerk-led return and records transfer
SOP-04	IT Asset, User Access, and Password Security	6	Approval/tagging before issue; least privilege
SOP-05	Municipal Credit Card Use and Monthly Reconciliation	7	No self-approval; five-day reconciliation
SOP-06	Official City Travel Authorization and Reconciliation	8	Approval before booking; two-day final log
SOP-07	Tuition Reimbursement	9	Pre-approval; grade/limit/tax verification
SOP-08	Grant Management — Pre-Award Through Closeout	10	Executed award; three-way match
SOP-09	PBC DHES CDBG Monthly Reimbursement	11	Complete monthly package by deadline
SOP-10	Fraud, Waste, and Abuse Reporting and Response	12	Independent review and external referral
SOP-11	Whistleblower Complaint Intake, Investigation, and Anti-Retaliation	13	3/10/60-day intake and investigation controls

Implementation and Review

- Process owners should assign named backups and confirm access to all required forms, logs, systems, and secure records locations before the effective date.
- Finance, HR, the Clerk, IT, and department heads should complete coordinated training because several SOPs share asset, access, travel, card, grant, and separation controls.
- The City should review these SOPs whenever the controlling policy, Charter, Code, grant agreement, GSA rate, Florida law, or assigned organizational roles change.

ANGELA REYES, LLC
GOVERNMENTAL ACCOUNTING SERVICES

MEMORANDUM

TO: City Manager
FROM: Financial Consultant – Angela Reyes LLC

DATE: June 22, 2026
SUBJECT: Recommendation to Conduct a Forensic Audit of Financial Records and Cash Activity

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Purpose

The purpose of this memorandum is to formally recommend that the City of Pahokee engage an independent forensic accounting firm to perform a forensic audit of the City's financial records.

This recommendation is based on financial conditions identified during the review of the City's accounting records, including the Annual Trial Balance, cash account activity, fund balances, and reconciliation concerns.

The purpose of the forensic audit is not to conclude wrongdoing; rather, it is necessary to determine the accuracy of financial records, identify the source of discrepancies, validate cash balances, and establish reliable financial information.

Background

During the review of the City's accounting records, several financial conditions were identified that require procedures beyond the scope of a traditional annual financial statement audit.

A financial statement audit provides an opinion on whether financial statements are materially presented. However, it does not reconstruct transactions, validate every cash movement, or determine the origin of historical discrepancies.

A forensic audit provides the transaction-level review necessary to determine what occurred, when it occurred, and what corrective actions are required.

Difference Between an Annual Financial Audit and a Forensic Audit

Each year, the City is required to undergo an independent financial statement audit in accordance with governmental auditing standards. The purpose of the annual audit is to determine whether the City's financial statements are presented fairly, in all material respects, based on generally accepted accounting principles.

The annual audit provides reasonable assurance that the financial statements are materially accurate; however, it is not designed to examine every transaction, reconstruct accounting activity, or identify the cause of every discrepancy within the accounting records.

An annual financial audit generally focuses on:

- Reviewing financial statements;
- Testing selected transactions through sampling;
- Evaluating compliance with accounting standards;
- Reviewing significant account balances;
- Providing an independent audit opinion.

A forensic audit serves a different purpose.

A forensic audit is a detailed examination of financial records designed to trace transactions, investigate discrepancies, identify the source of financial inconsistencies, and determine whether errors, control failures, unauthorized activity, or other issues occurred.

A forensic audit goes beyond traditional audit procedures by reviewing transaction-level activity, including:

- Bank activity and reconciliations;
- Cash movement between accounts;
- Journal entries and adjustments;
- Supporting documentation;
- Vendor payments;
- Payroll activity;
- Approval and authorization processes;
- Historical account activity.

Unlike the annual audit, which determines whether financial statements are fairly presented overall, a forensic audit seeks to answer:

- What happened?
- When did it happen?
- Why did it happen?
- Who approved the transaction?
- Was the transaction properly recorded and supported?

During the financial review of the City's accounting records, certain balances and activity were identified that require this deeper level of review. Specifically, the review identified cash balances, investment activity, fund balances, and reconciliation concerns that cannot be fully validated through normal financial reporting procedures.

Therefore, a forensic audit is recommended to establish verified financial balances, identify the source of discrepancies, strengthen accountability, and provide management and the City Commission with reliable financial information moving forward.

Financial Conditions Supporting Forensic Audit

1. Negative General Fund Operating Cash Balance

The Annual Trial Balance reflects:

Account: 1-101000
Description: Cash – General Fund Operating
Balance: ($48,070.65)

A negative cash position within the accounting records requires further investigation.

Cash balances should be fully supported by bank reconciliations and transaction history.

A forensic review is necessary to determine whether:

- Bank balances agree to accounting records;
- Deposits were completely and accurately recorded;
- Payments were properly posted;
- Transactions were recorded to the appropriate accounts;
- Adjusting entries were properly supported and approved.

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2. Investment Cash Exists While Operating Cash Reflects a Deficit

The Trial Balance reflects:

Investment Fund Cash**:** approximately $619,769

while the operating cash account reflects a negative balance.

The review did not identify sufficient documentation explaining the relationship between available investment cash and operating cash requirements.

The forensic audit should determine:

- Whether investment funds were transferred to operating accounts;
- Whether transfers were recorded correctly;
- Whether cash accounts were properly reconciled;
- Whether restricted funds were utilized appropriately.

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3. Payroll Cash Account Requires Validation

The Trial Balance reflects a significant balance within payroll cash accounts.

Payroll cash accounts are generally clearing accounts designed to process payroll activity.

A forensic review should determine:

- Whether payroll transactions cleared timely;
- Whether outstanding payroll items exist;
- Whether payroll liabilities match payroll records;
- Whether historical balances represent valid cash.

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4. Cash Reconciliation Concerns

The ability to accurately report financial position depends on the reconciliation of:

- Bank statements;
- Investment statements;
- Accounting records;
- Outstanding transactions.

Without fully reconciled cash, management cannot confirm:

- Actual available cash;
- Restricted cash balances;
- Fund balances;
- Financial reports provided to elected officials.

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5. Historical Fund Balances Require Verification

The Trial Balance includes accumulated fund balances resulting from multiple years of financial activity.

A forensic audit should validate:

- Beginning balances;
- Prior period adjustments;
- Closing entries;
- Transfers between funds;
- Journal entries impacting cash and equity.

The objective is to determine whether reported fund balances represent actual available resources.

Recommended Forensic Audit Scope

The forensic audit should include:

1. Bank account reconstruction;
2. Cash-to-general ledger reconciliation;
3. Investment account tracing;
4. Review of transfers between accounts;
5. Review of all adjusting journal entries;
6. Payroll cash reconciliation;
7. Vendor payment testing;
8. Duplicate payment analysis;
9. Review of electronic payments and checks;
10. Verification of restricted cash balances.

Conclusion

Based on the financial conditions identified during review of the Annual Trial Balance, a forensic audit is recommended.

The existence of negative operating cash balances, significant cash balances requiring validation, unresolved cash movement questions, and historical balances requiring support create a need for transaction-level review.

A forensic audit will provide management, the City Commission, auditors, and oversight agencies with an independent determination of the accuracy of the City's financial records and establish a reliable financial foundation moving forward.

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FORENSIC AUDIT ENGAGEMENT AGREEMENT

June 18, 2026

Angela Reyes
Angela Reyes, LLC
7959 NW 188th Lane
Hialeah, FL 33015

Re: Engagement for Forensic Audit Services

Dear Ms. Reyes:

This letter confirms that Achievement Consulting Services has been retained by Angela Reyes, LLC to perform a forensic audit of certain financial records. The specific terms and objectives of our engagement are outlined below:

1. Objective and Scope of Work
Our investigation will focus on identifying potential financial irregularities regarding cash and cash equivalents in the City of Pahokee, FL. We will review relevant financial documents from fiscal years 2022 to fiscal 2025. Our work may include tracing funds, analyzing transaction patterns, interviewing personnel, and evaluating related internal control structures.

2. Responsibilities of Management
Management is responsible for providing our firm with complete, unrestricted access to all requested books, financial accounts, digital data, and personnel. Management agrees that all information provided will be factual, and that no relevant documentation will be withheld. We will not verify or audit this data beyond the investigation's specific forensic targets.

3. Limitations of the Investigation
A forensic audit relies heavily on the authenticity of documentation. Because fraud often involves sophisticated collusion, forgery, or systemic override, there is an inherent risk that some irregularities may remain undetected. This engagement is designed strictly for investigative findings and does not constitute a standard financial statement audit under GAAS.

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4. Fees, Retainer, and Billing
Our fees are based on standard hourly billing rates for professional time:

- **Partners/Directors:** $175/hour
- **Senior Analysts:** $75/hour

The total engagement will not exceed $25,000. Work will commence upon receipt of a signed copy of this letter. Invoices are issued monthly and are payable upon receipt. We reserve the right to suspend or terminate services if invoices remain unpaid past 30 days.

5. Confidentiality and Use of Reports
All reports, findings, and schedules generated during this investigation are confidential and intended solely for the internal use of Angela Reyes, LLC and the City of Pahokee, FL. Our final written report may not be distributed to outside third parties without our prior express written permission.

If these terms accurately reflect your understanding of our agreement, please execute and return the signed copy below.

Sincerely,

Larry M. Spring

Larry M. Spring, CPA
Achievement Consulting Group, Inc.

Acknowledgment and Acceptance:
I have read and agree to the terms set forth above.

_____
Angela Reyes – Principal
Angela Reyes LLC

Date: _____