



CITY OF OKEECHOBEE

CITY COUNCIL REGULAR MEETING

JUNE 2, 2020

LIST OF EXHIBITS

Draft Minutes

May 5, 2020 Regular Meeting

Exhibit 1	Central Florida Regional Planning Council Update
Exhibit 2	2019 Audited Financials
Exhibit 3	Ordinance No. 1211, Alcohol Sales on Sunday
Exhibit 4	Cattlemen Association Letter of Support
Exhibit 5	School Resource Officer Agreement – Okeechobee Christian Academy
Exhibit 6	FDOT Purchase Agreement – SR 710 Bypass Project
Exhibit 7	Fire Services Interlocal Agreement



CITY OF OKEECHOBEE, FLORIDA
MAY 5, 2020, REGULAR CITY COUNCIL MEETING
REVISED DRAFT SUMMARY OF COUNCIL ACTION

I. CALL TO ORDER

Mayor Watford called the regular meeting of the City Council for the City of Okeechobee to order on Tuesday, May 5, 2020, at 6:05 P.M. in the City Council Chamber, 55 Southeast 3rd Avenue, Room 200, Okeechobee, Florida. Pursuant to Executive Order No. 20-69 issued by Governor DeSantis on March 20, 2020, and extended by Executive Order No. 20-112, effective May 4, 2020, the meeting was conducted utilizing communications media technology as provided by Florida Statutes 120.54(5)(b)2, by means of Zoom.com Meeting ID 2459713294. The Host computer was operated by Executive Assistant Robin Brock. The video, audio, and digital comments are recorded and retained as a permanent record.

- A. The invocation was offered by Mayor Watford.
- B. The Pledge of Allegiance was led by Mayor Watford.

II. ATTENDANCE

City Clerk Lane Gamiotea called the roll. Mayor Dowling R. Watford, Jr., Council Members Wes Abney, Monica Clark, Bob Jarriel and Bobby Keefe were present in the Chamber.

CITY STAFF: City Attorney John Fumero, City Administrator Marcos MontesDeOca, and Police Chief Bob Peterson were present in the Chamber. Fire Chief Herb Smith, Public Works Director David Allen, Deputy City Clerk Bobbie Jenkins, Finance Director India Riedel, members of the press and the public were present via Zoom.

III. AGENDA AND PUBLIC COMMENTS

- A. Mayor Watford asked whether there were any agenda items to be added, deferred, or withdrawn; New Business Item VII.R. was deferred to the May 19, 2020, meeting at the request of Council Member Keefe.
- B. Council Member Clark moved to approve the agenda as amended; seconded by Council Member Abney.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- C. There were no agenda item forms or comment cards submitted for public participation for any issues not on the agenda.

IV. PROCLAMATIONS AND PRESENTATIONS

- A. Mayor Watford proclaimed the month of May 2020 as "Mental Health Awareness Month." The document was presented to Mr. George Shopland with New Horizons of Okeechobee via Zoom, and was read into the record as follows: **"Whereas, the mental health of every citizen, family, business owner and resident of Okeechobee is a critical factor in its emotional and economic stability; and Whereas, mental health is as essential to maintaining overall health as physical health; and Whereas, everyone encounters periods of stress and fear in their lives, but should have adequate, ample, accessible resources to mental health care when it's needed; and Whereas, only 50 percent of Americans with a serious mental health illness seek treatment, while 100 percent of illnesses are treatable; and Whereas, stigma is often the key limiting factor to treatment; and Whereas, we the Mayor, City Council and Citizens of Okeechobee strive to be a community who supports mental wellness, including greater access to treatment, increasing educational tools and resources for our citizens, and continually supporting those citizens with mental health illnesses. Now Therefore, I, Dowling R. Watford, Jr., by virtue of the authority vested in me as Mayor of the City of Okeechobee, Florida, do hereby proclaim the month of May 2020, as 'Mental Health Awareness Month' in the City of Okeechobee."**

- B. Mayor Watford proclaimed the month of May 2020 as "Building Safety Month." The document was presented to City Building Official Mr. Jeffery Newell via Zoom, which was read into the record as follows: **"Whereas, the City of Okeechobee is committed to recognizing that our growth and strength depends on the safety and economic value of the homes, buildings and infrastructure that serve our citizens, both in everyday life and in times of natural disaster; and WHEREAS, our confidence in the structural integrity of these buildings that make up our community is achieved through the devotion of vigilant guardians-building safety and fire prevention officials, architects, engineers, builders, tradespeople, design professionals, laborers, plumbers and others in the construction industry-who work year-round to ensure the safe construction of buildings; and Whereas, these guardians are dedicated members of the International Code Council, a U.S. based organization, that brings together local, state and federal officials that are experts in the built environment to create and implement the highest-quality codes to protect us in the buildings where we live, learn, work, play; and Whereas, our nation benefits economically and technologically from using the International Codes that are developed by a national, voluntary consensus codes and standards developing organization, our government is able to avoid the high cost and complexity of developing and maintaining these codes, which are the most widely adopted building safety and fire prevention codes in the world; and Whereas, these modern building codes include safeguards to protect the public from natural disasters such as hurricanes, snowstorms, tornadoes, wildland fires, floods and earthquake; which, according to a FEMA-commissioned study by the National Institute of Building Sciences, provide \$11 in future mitigation benefits for every dollar invested; and Whereas, Building Safety Month is sponsored by the International Code Council to remind the public about the critical role of our communities' largely unknown protectors of public safety-our local code officials-who assure us of safe, efficient and livable buildings that are essential to America's prosperity; and Whereas, "Safer Buildings, Safer Communities, Safer World," the theme for Building Safety Month 2020, encourages all Americans to raise awareness of the importance of safe and resilient construction; fire prevention; disaster mitigation, and new technologies in the construction industry. Building Safety Month 2020 encourages appropriate steps everyone can take to ensure the safety of our built environment, and recognizes that the implementation of safety codes by local and state agencies has saved lives and protected homes and businesses; and Whereas, each year, in observance of Building Safety Month, Americans are asked to consider the commitment to improve building safety and economic investment at home and in the community, and to acknowledge the essential service provided to all of us by local and state building departments, fire prevention bureaus and federal agencies in protecting lives and property. Now, Therefore, I, Dowling R. Watford, Jr., by virtue of the authority vested in me as Mayor of the City of Okeechobee, Florida, do hereby proclaim the month of May 2020 as 'Building Safety Month'."**
- C. Mayor Watford proclaimed the week of June 1 through 5, 2020 as "Code Enforcement Officers' Appreciation Week." Police Chief Peterson accepted the document on behalf of Code Officer Fred Sterling and Code Secretary Melissa Close, which was read into the record as follows: **"Whereas, Code Enforcement Officers provide for the safety, health and welfare of the citizens in this community through the enforcement of building, zoning, housing, animal control, fire safety, environmental and other codes and ordinances; and Whereas, Code Enforcement Officers are often not credited for the jobs that they do in saving lives and improving neighborhoods; and Whereas, every day, assisted by support and program staff, they attempt to provide quality customer service to the public for the betterment of the community; and Whereas, too many times their efforts go unnoticed, even after code compliance has been accomplished due to their efforts and expertise; and Whereas, Code Enforcement Officers are dedicated, well trained, and highly responsible individuals who take their jobs seriously and are proud of their**

department and the local government within which they serve; and Whereas, the Florida Association of Code Enforcement has declared the first week of June be set aside by local government to honor and recognize their Code Enforcement Officers. Now Therefore, I, Dowling R. Watford, Jr., by virtue of the authority vested in me as Mayor of the City of Okeechobee, Florida, do hereby proclaim June 1 through 5, 2020, as 'Code Enforcement Officers' Appreciation Week' in the City of Okeechobee."

- D. On behalf of the City, Mayor Watford presented a Longevity Service Award of \$250.00 and a framed certificate to Ms. Dawn Wendt, which read **"In recognition of your 20-years of service, hard work, and dedication to the City, its citizens, and your fellow employees from May 1, 2000 through May 1, 2020."** The commendation was accepted by Chief Peterson for Sergeant Wendt, who was unable to be in attendance.

V. CONSENT AGENDA

A motion was made by Council Member Jarriel to approve the consent agenda items **A through E** [April 7, 2020, Regular meeting minutes; March 2020 Warrant Register in the amounts: General Fund \$566,468.46, Public Facilities Improvement Fund \$22,813.33, and Capital Improvement Projects Fund \$10,180.77, the complete list is included in the minute file; Appoint Steve Weeks, Jr. as the Fire Department alternate to the Employee Grievance Committee, term being May 6, 2020 through January 31, 2022, or until a successor is appointed (replaced Joshua Sanders); Re-appoint Karyne Brass as a regular member on the Planning Board, Board of Adjustment, and Design Review Board; term to begin retroactive to May 1, 2020 through April 30, 2023, and Re-appoint Felix Granados to the Planning Board, Board of Adjustment, and Design Review Board; moving from an alternate to regular member, term to be retroactive to May 1, 2020 through April 30, 2023 [as provided in Exhibit 1]; Disposal of obsolete and surplus equipment: Acer Windows Vista desktop computer, two desktop computers, website desktop computer; file server, two HP desktop computers, two HP Slimline desktops, HP Laptop, HP Notebook, Acer Windows Vista desktop computer, Dell Inspiron N5010 laptop, Dell Inspiron 600m laptop, HP Pavilion Slimline desktop, two Acer hard drive desktops, Gateway monitor, Dell monitor (as provided in Exhibit 2)]; seconded by Council Member Keefe.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

VI. MAYOR WATFORD OPENED THE PUBLIC HEARING AT 6:24 P.M.

- A. A motion was made by Council Member Clark to read proposed Ordinance No. 1209 by title only, regarding Comprehensive Plan Small Scale Future Land Use (FLU) Map Amendment Application No. 20-003-SSA, submitted by Mr. Mitchell Hancock on behalf of the property owner Mitchell G. Hancock, Inc., reclassifying approximately 1.60 acres located in the 700 block between Northwest 7th and 8th Streets along Northwest 6th Avenue, from Single Family Residential (SFR) to Industrial (IND) [Legal Description: **LOTS 11 THROUGH 20, OF BLOCK 62, OKEECHOBEE, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOKS 1 AND 5, PAGES 10 AND 5, PUBLIC RECORDS OF OKEECHOBEE COUNTY, FLORIDA;** as provided in Exhibit 3]; seconded by Council Member Keefe.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

Attorney Fumero read proposed Ordinance No. 1209 by title only as follows: **"AN ORDINANCE OF THE CITY OF OKEECHOBEE, FLORIDA; AMENDING THE CITY OF OKEECHOBEE COMPREHENSIVE PLAN, ORDINANCE NO. 635 AS AMENDED, BY REVISING THE FLU MAP ON A CERTAIN TRACT OF LAND MORE PARTICULARLY DESCRIBED HEREIN FROM SFR TO IND (APPLICATION NO. 20-003-SSA); PROVIDING FOR INCLUSION OF ORDINANCE AND REVISED FUTURE LAND USE MAP IN THE COMPREHENSIVE PLAN; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE."**

A motion was made by Council Member Jarriel to adopt proposed Ordinance No. 1209; seconded by Council Member Keefe.

Mayor Watford yielded the floor to City Planning Consultant Mr. Ben Smith of LaRue Planning and Management Services, who was in attendance via Zoom. He presented the Planning Staff findings together with the Planning Board's review on April 16, 2020; both recommend approval. The Application was found to be consistent and compatible with the Comprehensive Plan and adjacent uses. The current surrounding FLU designations are SFR and IND to the North, IND to the East, SFR to the South and West. The surrounding zoning districts are IND to the North, East and West, and Residential Multiple Family to the South. The existing surrounding uses are a concrete plant to the North, vacant to the East and West, and single family residences to the South. The Amendment has adequate public facilities available for industrial use. The traffic impact statement provided an estimated 651 additional vehicle trips, and should not affect the level of service to the surrounding roadways. There does not appear to be any environmental impacts. Mr. Steve Dobbs was present via Zoom on behalf of the property owner. Mayor Watford asked if there were any questions from the public; there were none.

City Clerk Gamiotea clarified for the Council that surrounding property notifications are not required for a Small Scale Future Land Use Map Amendment. The Application was posted to the City's website, and advertised in the Okeechobee News. Planner Smith explained the existing FLU and Zoning for the subject property is conflicting. However, IND is a common FLU adjacent to a railway, and does not require a Special Exception for the proposed use of a contractor's yard; a Heavy Commercial FLU does. He added the Applicant has submitted a site plan that incorporates a water retention area at the South side of property, as well as a landscaped perimeter for buffering. Mayor Watford asked whether there were any comments from the public; there were none.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

MAYOR WATFORD CLOSED THE PUBLIC HEARING AT 6:38 P.M.

VII. NEW BUSINESS

- A.** A motion was made by Council Member Keefe to read proposed Ordinance No. 1210 by title only, regarding amending City Code of Ordinances Chapter 6, Section 6-1 to allow for alcohol package sales on Sundays beginning at 10:00 A.M. [as provided in Exhibit 4]; seconded by Council Member Jarriel.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

Attorney Fumero read proposed Ordinance No. 1210 by title only as follows: **"AN ORDINANCE OF THE CITY OF OKEECHOBEE, FLORIDA; AMENDING SECTION 6-1 OF CHAPTER 6 OF THE CODE OF ORDINANCES TO PROVIDE FOR THE SALE OF ALCOHOL INCLUDING PACKAGE SALES WITHIN THE CITY AT CERTAIN TIMES; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE."**

There was a brief discussion regarding the date of the Final Public Hearing. City Clerk Gamiotea clarified June 2, 2020, is the correct date to meet advertising requirements, as the local newspaper is now only publishing once a week.

Council Member Jarriel moved to approve the first reading, and set June 2, 2020, as the Final Public Hearing date, regarding proposed Ordinance No. 1210; seconded by Council Member Clark.

Attorney Fumero explained in a memorandum included in Exhibit 4 that this eliminates the exclusion of retail package sales on Sunday and would allow the package sales to begin at 10:00 A.M. on Sundays, making the City alcohol sales consistent with Okeechobee County.

Mayor Watford opened the floor for public comments; there was none. Council Member Clark expressed her opinion in that there should not be a separate time for alcohol sales on Sunday, as not all faiths worship on Sundays. She recommended alcohol sale times be the same each day of the week.

Council Member Clark moved to amend proposed Ordinance No. 1210 to change the sale of alcohol start time from 10:00 to 7:00 A.M. on Sundays with no exception for holidays; seconded by Council Member Jarriel. Council Member Abney clarified the alcohol sale times for Monday through Saturday and questioned whether the Council was going to amend the last sentence of Section 6-1 that read "All alcoholic beverages may be sold, served, or consumed on Sundays from 10:00 a.m. to midnight" as the current motion to amend conflicts with the other days of the week. Council Members Clark and Jarriel withdrew their motion to amend.

Council Member Clark then moved to amend proposed Ordinance No. 1210 to eliminate the exception for Sunday alcohol sales making the days and times the same all week; seconded by Council Member Jarriel. Attorney Fumero provided procedural direction. The proposed Ordinance is to allow package sales on Sundays. Council Member Clark's current motion to amend is broader than the information provided to the public. After a brief discussion, Council Members Clark and Jarriel withdrew their motion to amend, as well as the original motion on the floor to approve the first reading and set the Final Public Hearing.

Administrator MontesDeOca suggested the Council approve the proposed Ordinance with no amendments to allow for package sales until another Ordinance can be presented. Discussion ensued. Council Member Keefe suggested the Ordinance be voted down to clear the way for a revised, new ordinance, removing any Sunday restrictions.

Council Member Clark then made a motion to approve the first reading of proposed Ordinance No. 1210; seconded by Council Member Jarriel.

Ayes: none. Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Nay. Motion Failed.

The City Attorney was instructed to draft an ordinance amending Chapter 6 to remove any reference to restrict sale times on Sundays.

- B. Mayor Watford explained the purpose of discussing meeting decorum was to remind everyone that meetings are now broadcasted online through Zoom and YouTube, encouraging the Council to continue to conduct meetings in a civil manner. Council Members noted their agreement, then examples from other municipalities not conducting themselves in a professional manner, and drawing negative attention to those communities was briefly discussed.
- C. Mrs. Tiffany Collins, Administrator of the Florida Department of Health (DOH) in Okeechobee County provided an update on COVID-19. With the issuance of Executive Order No. 20-112, the Department of Health has started focusing on social distancing and prevention messaging. The Centers for Disease Control and Prevention (CDC) and the National Institute of Health (NIH) continues to recommend the use of cloth face masks in public. She emphasized citizens to dispose of these items properly. The expansion of testing is one of the DOH's top five priorities with others being protecting the elderly and vulnerable population, preparing health care facilities and workers, and stopping the spread of COVID-19 in Okeechobee County and the State of Florida. The State has received approximately 200,000 Food and Drug Administration (FDA) approved anti-body test kits, with the majority of them being distributed to health care facilities and used to test healthcare workers.

She reminded citizens who have school age children for the 2020-21 school year, vaccines and physicals are needed for some grade levels. The State DOH is monitoring hospital capacity. As of May 4, 2020, the number of ventilators and ICU beds being utilized is low. As of May 5, 2020, Okeechobee County has 17

confirmed positive cases of COVID-19 ranging in age from 6 to 87 years old. There are three confirmed positive cases at the Okeechobee Health Care Facility; one resident and two staff members. There are approximately 10 results pending from the testing that took place at the Facility. Florida has over 37,000 confirmed positive cases with over 6,000 hospitalized and over 1,400 deaths, calculating an overall 3.9 percent death rate in Florida. Okeechobee County has tested 643 individuals resulting in a 2.8 percent positivity rate. The United States has approximately 1.2 million confirmed positive cases, with over 70,000 deaths resulting in a 5.9 percent death rate. There are approximately 3.6 million cases globally, with over 254,000 deaths. The DOH has expanded testing criteria to fever, coughs, shortness of breath, chills, muscle pain, new loss of taste or smell, vomiting, diarrhea, and sore throat. Should anyone have these symptoms, contact the County Health Department to schedule a test. The tests are administered free of charge by appointment only. Pharmacies with a Clinical Laboratory Improvement Amendments waived licenses will also be able to administer tests through Executive Order No. 20-112. She concluded her update by explaining she has requested an Incident Management Team from the Florida National Guard to return and administer a second round of testing at the Okeechobee Health Care Facility and to administer initial testing at the Grand Oaks Facility. Mayor Watford thanked Mrs. Collins for the update. He also added that the County Health Department is currently working with a private company to provide additional testing to the residents.

Council Member Abney asked the Council to consider adopting a Resolution that was parallel to the County's supporting the re-opening of all businesses and restaurants to 50 percent capacity. Mayor Watford explained he had sent an email to the Governor on behalf of the City, but a Resolution seems more fitting. He asked Attorney Fumero for his opinion, who responded either is appropriate.

Council Member Abney made a motion to adopt a **Resolution [No. 2020-05]** to be drafted by the City Attorney that is parallel to the County to re-open businesses currently closed under Executive Order No. 20-112 Phase 1 to 50 percent capacity, and increase restaurant and retail stores capacity from 25 to 50 percent; seconded by Council Member Jarriel.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

Council Member Abney then questioned the enforcement procedures on businesses who are required to remain closed but are operating. Mayor Watford explained that he attended a meeting between himself, County Commission Chair Burroughs, Chief Peterson, and Sheriff Stephen on the enforcement of the Governor's Executive Orders. He reminded the Council that as elected officials, they all swore an oath and are obligated to follow the law. The Police Chief and Sheriff also swore an oath and are obligated to not only follow local law, but the laws of the State. Chief Peterson explained both agencies lack the personnel to perform door-to-door inspections, but are responding to all complaints received. Officers will provide education for first offenses. Should a business have multiple complaints filed against them, Officers will issue a Notice to Appear and forward the information to the State Licensing Board. He then confirmed that business owners are permitted to occupy their business as long as the owner is not providing services.

The discussion then turned to the extension of the City's local state of emergency. Mayor Watford explained the local State of Emergency adopted by Resolution No. 2020-03 expires May 5, 2020, should the Council not act on extending it. It was his opinion to extend the State of Emergency to ensure the City remains eligible for Federal Emergency Management Agency (FEMA) assistance should the need arise.

A motion was made by Council Member Keefe to extend the effective date of **Resolution No. 2020-03** until the next Council meeting [May 19, 2020]; seconded by Council Member Jarriel.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

Mayor Watford briefly provided an update on the Treasure Coast Food Bank distribution that will be taking place May 6, 2020, from 9:00 to 11:00 A.M., reminding citizens that a voucher will be required to participate. Administrator MontesDeOca briefly explained after speaking with the Police Chief and Fire Chief, City Hall will remain closed to the public until the Governor implements Phase 2 of the State re-opening.

- D.** A motion was made by Council Member Abney to approve a change of scope for Centennial Park Restroom and Pavilion Improvements Bid No. PW-01-00-12-19 resulting in a reduction in the amount of \$37,318.98 [as provided in Exhibit 5]; seconded by Council Member Clark.

A memorandum provided in Exhibit 5 gave a detailed description of the change of scope as follows: single restroom with separate chase for housing mechanical, electrical equipment for storage in a CBS block building with stucco exterior and interior walls, engineered wood trusses and 24 gauge metal. All fixtures to be stainless steel and meet ANSI compliance, original amount: \$85,047.60, revised amount: \$54,369.32, savings of \$30,678.28; 20-feet by 40-feet steel frame h-beam with epoxy prime and coating, 24 gauge metal roof, z-perlins with no tongue and groove wood, 4-inch reinforced concrete slab, \$61,530.70; two 10-feet by 10-feet steel frame h-beam with epoxy prime and coating, 24 gauge metal roof, z-perlins with no tongue and groove wood, 4-inch reinforced concrete slab, \$22,343.20; additions to the original contract is an allowance of \$5,000.00 for solar lighting in restroom and a USB charging station at each structure. The original Bid amount was \$175,562.20. The value engineering savings provided a reduction of \$37,318.98, providing a new Bid amount of \$138,243.22. Administrator MontesDeOca added the playground equipment installation was completed May 4, 2020, with sod being installed on May 6, 2020.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- E.** A motion was made by Council Member Clark to adopt proposed Resolution No. 2020-04, establishing electronic meeting procedures and implementing protocols [as provided in Exhibit 6]; seconded by Council Member Keefe.

The title of proposed Resolution No. 2020-04 is as follows: **"A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF OKEECHOBEE, FLORIDA ADOPTING POLICY AND IMPLEMENTING PROTOCOLS FOR THE USE OF COMMUNICATIONS MEDIA TECHNOLOGY TO FACILITATE ATTENDANCE BY ELECTED AND APPOINTED OFFICIALS AT PUBLIC MEETINGS AND TO ALSO FACILITATE PUBLIC PARTICIPATION AND ATTENDANCE AT SUCH MEETINGS; PROVIDING THAT THE USE OF SUCH PROTOCOLS IS LIMITED TO PERIODS OF DECLARED EMERGENCY WHEN PUBLIC HEALTH AND SAFETY GUIDANCE LIMITS THE SAFE ATTENDANCE AT SUCH MEETINGS IN PERSON AND WHEN SUNSHINE LAW REQUIREMENTS ARE LAWFULLY RELAXED TO PERMIT SAME; PROVIDING A CONFLICTS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR AN EFFECTIVE DATE, AND FOR OTHER PURPOSES."**

Attorney Fumero explained the Florida League of Cities and the Florida Association of Municipal Attorneys have posted model resolutions to help municipalities implement protocols and establish electronic meeting procedures. Proposed Resolution No. 2020-04 is the first of multiple resolutions that will be presented to the Council for adoption as legislation changes.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- F. At a previous meeting, the Council directed City Clerk Gamiotea to research the type of performance evaluations other municipalities utilize for the Administrator, as it was their opinion the form used City-wide was not an adequate way to evaluate the position.

City Clerk Gamiotea provided Council Member Keefe with six examples, in which he selected his top three choices to be provided to the Council for review and use to create a new form. The consensus of the Council was to use the evaluation noted as sample one in its entirety and add the budgeting and financial management questions from sample two. City Clerk Gamiotea will generate a new form to distribute to the Council prior to the May 19, 2020 meeting to ensure the evaluation is completed on time. The three evaluation samples were included in Exhibit 7 and made part of the minute file.

- G. A motion was made by Council Member Jarriel to renew the annual Agreement for Information Technology Services with ICS Computers [Request For Qualification No. FIN 01-32-03-19] in the amount of \$24,960.00 [as provided in Exhibit 8]; seconded by Council Member Keefe.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- H. Administrator MontesDeOca explained he received a correspondence from the Florida Department of Transportation (FDOT) requesting the City consider offering a portion of a right-of-way identified as FDOT Parcel 125 in relation to their State Road 710 By-pass Project. The property is located in PLAT 2 OF TAYLOR CREEK WATER SHED, Plat Book 3, Page 26, Okeechobee County public records. The 6,089-square foot parcel is situated immediately South of the North City Limits boundary, along the East side of Taylor Creek, and West of the Okeechobee Utility Authority Ground Water Treatment Plant property.

There are two options: acknowledge the appraised value for FDOT to purchase the property from the City; or donate the property to FDOT. After a brief discussion, Mayor Watford called for a motion.

Council Member Abney moved to acknowledge the appraisal offer of \$12,200.00 to sell the property [authorizing the Administrator to execute the Statement of Offer and Appraisal Receipt Letter for the property noted above and as presented in Exhibit 9]; seconded by Council Member Jarriel.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- I. A motion was made by Council Member Clark to approve the revised School Resource Officer (SRO) Program Agreement [for 2019-20] between Okeechobee County School Board and the City of Okeechobee to comply with the required additional language as per Florida Statutes 1006.13(4)a [as provided in Exhibit 10]; seconded by Council Member Keefe.

Mayor Watford explained the School Board approved the revised Agreement at their April 14, 2020, meeting. The only wording change is on page 3 of 7, line 17 which added the following language: "As soon as practicable, the SRO shall make the principal of the school aware of such action. At the principal's request, the SRO shall take appropriate law enforcement action against intruders and unwanted guests or individuals who have committed a crime or delinquent act that poses a threat to school safety who may appear at the school or related school functions."

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- J. A motion was made by Council Member Jarriel to approve a Letter of Commitment for the Hendry, Okeechobee, and Glades Opioid Consortium (HOGOC) Program implementation [as provided in Exhibit 11]; seconded by Council Member Clark.

Mayor Watford explained the Council approved a Memorandum of Understanding with the Hanley Center Foundation for the HOGOC at the August 20, 2019, meeting. The completion of the study has been concluded and each agency has been requested to sign a Letter of Commitment to secure grant funding for the Hanley Center Foundation to obtain services. He added there is no monetary value with the approval of this letter.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- K.** Administrator MontesDeOca explained the Council approved an Agreement with the Firm of Lewis, Brisbois, Bisgaard & Smith, LLP at the November 5, 2019, meeting pertaining to a data breach incident that occurred in October 2019. There was a \$10,000.00 deductible to file an insurance claim. However, based on the timing of the receipt of the Firm's certificate of insurance, and the recommendation of ICS Computers, Inc., it is being recommended that the City withdraw the remaining Agreement for services with the Firm, which is a savings of approximately \$7,600.00. The Firm agrees with the recommendation as well.

A motion was made by Council Member Clark to withdraw the remaining Contract for Specialized Legal Services with the Firm of Lewis, Brisbois, Bisgaard & Smith, LLP; seconded by Council Member Keefe.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- L.** A motion was made by Council Member Keefe to approve an Engagement Letter with Nason, Yeager, Gerson, Harris & Fumero, P.A., for the City Charter Review Initiative [as provided in Exhibit 13]; seconded by Council Member Clark.

As directed by the Council, Administrator MontesDeOca reached out to the Central Florida Regional Planning Council for an offer to complete a Charter Review. It was their recommendation to use the City Attorney. The summary of the City Attorney's costs are as follows: Partner in Charge John Fumero; Attorney hourly rate \$275.00; Paralegal hourly rate \$80.00; Propose not-to-exceed \$45,000.00. Attorney Fumero provided his background in Municipal Charter Review, and explained it is a lengthy process which could take one to two years depending on the guidelines set by the Council. Public workshops are held to receive input by a committee selected by the Council, then the changes are put on a referendum for the citizens to vote on. Mayor Watford questioned the timing of adding this additional cost, as this may not be fiscally responsible due to the downfall in the economy and budget impacts from COVID-19. The Council Members understood the Mayors concern. However, they considered the project a priority as identified in the Strategic Plan and of which \$40,000.00 was budgeted in this Fiscal Year. Attorney Fumero was instructed to provide the various procedures and options the Council has to proceed on this.

Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: Mayor Watford. Motion Carried.

- M.** A motion was made by Council Member Clark to approve Amendment No. 1 to the [Request for Qualification No. ADM 01-00-10-19] Legal Services Agreement with the Firm of Nason, Yeager, Gerson, Harris & Fumero, P.A. [as provided in Exhibit 14]; seconded by Council Member Keefe.

The City entered into an Agreement with the Firm on January 1, 2020, to provide legal services at an hourly rate of \$275.00, not to exceed \$9,400.00 per month for a 90-day trial period. This allowed the Firm to determine the City's actual legal needs and priorities and to develop a reasonable monthly budget. From January through March, the Firm has spent well in excess of the 34 hours per month they contemplated in their original legal budget. They agreed to continue to provide legal services at the not-to-exceed flat monthly fee of \$9,400.00 per month, with all other provisions of the original agreement remaining the same.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- N.** A motion was made by Council Member Jarriel to approve the use of [Blocks G and L of] FLAGLER PARK [Plat Book 1, Page 10, Okeechobee County public records, also known as Parks 2 and 3] to recognize the 2020 Okeechobee High School graduating class with signs; seconded by Council Member Keefe.

Administrator MontesDeOca explained in the light of the impacts of COVID-19, he was contacted by several local businesses and organizations requesting the use of FLAGLER PARK to recognize the graduates with temporary signs that have the name and picture of each graduate. The School Board and Principal will design the layout, and the signs will be on display for approximately two weeks, each Senior may take their sign afterwards.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- O.** Council Member Keefe requested to discuss the policy and/or procedure for canceling regular City Council meetings. Each Council Member expressed their concern with the lack of communication to them regarding the cancellation of the April 21, 2020, meeting. Council Member Keefe stated there is always something to discuss, and is the only legal time the Mayor and Council Members can discuss City business. The discussion ensued with the outcome of the Administrator to ensure each Council Member is contacted before making the final decision to cancel meetings.
- P.** Attorney Fumero provided an update on acquiring the property located at 1003 Southwest 3rd Avenue, Legal Description: Lots 9 to 12 of Block 8, SOUTH OKEECHOBEE, Plat Book 1, Page 12, Okeechobee County public records, and the site of the Primitive Baptist Church. He explained the City's only option is to file for a tax deed on or after April 1, 2021. Council Member Keefe questioned the possibility of the Raulerson Trust donating the property to the City. Mayor Watford replied research has revealed there is not a Trust set up for this property. The City would have to document contact with each living heir of the Peter and Louisiana Raulerson family, which would be a very long and costly process. The Council implied their agreement to wait until 2021 to move forward with acquiring the property.

Administrator MontesDeOca informed the Council the 2019 tax certificate will be coming up for sale soon, and questioned whether the Council would want to purchase it as well. After a brief discussion, Council Member Clark moved to purchase the 2019 tax certificate with an interest rate of zero; seconded by Council Member Abney.

Mayor Watford, Council Members Abney, Clark, Jarriel, and Keefe voted: Aye. Nays: none. Motion Carried.

- Q.** Administrator MontesDeOca provided the status for on-going projects in the City as requested by Council Member Keefe. FDOT is performing the final review on the bid documents for Small Community Outreach Program (SCOP) Grants Contract No. G0T45/FM No. 440373-1-54-01 resurfacing Southeast 6th Street from South Parrott Avenue/US Highway 441 to Southeast 6th Avenue, and Contract No. G0T44/FM No. 440372-1-54-01 resurfacing Southeast 3rd Avenue from North Park Street/State Road 70 East to Southeast 4th Street.

FDOT is 60 percent complete with reviewing the SCOP Grant Contract No. G1A84/FM No. 442242-1-54-01 resurfacing Southwest 5th Avenue from North Park Street/State Road 70 West to South of Central Elementary. When asked whether the project could be extended any further South, he explained FDOT's bidding criteria is specific and does not allow for additional work, but this could be a separate project for the City. After a brief discussion, the Council instructed the Administrator to research the costs to add paving Southwest 5th Avenue

further South past Central Elementary, and include this in the City's current paving project list.

SCOP Grant Contract No. ARW18/FM No. 437239-1-54-01 resurfacing the intersection of Southwest 2nd Avenue at Southwest 8th Street has been extended due to the ongoing Okeechobee Utility Authority project that must be complete before the project can be finalized. He confirmed the City will not lose grant dollars over this.

- R. The discussion of street paving and striping plans from the Public Works Department was deferred to the May 19, 2020 meeting.

VIII. COUNCIL COMMENTS

Council Members Jarriel and Clark reminded everyone to be cognizant in supporting local businesses as they re-open amid the COVID-19 quarantine. Council Member Keefe questioned the status of the handicap signs along West South Park Street; Administrator MontesDeOca explained the project timeline is this Summer.

- IX. There being no further items on the agenda, Mayor Watford adjourned the meeting at 8:33 P.M. The next regular meeting is scheduled for May 19, 2020, at 6:00 P.M.

ATTEST:

Dowling R. Watford, Jr., Mayor

Lane Gamiotea, CMC, City Clerk

Please take notice and be advised that when a person decides to appeal any decision made by the City Council with respect to any matter considered at this meeting, he/she may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. City Clerk media are for the sole purpose of backup for official records of the Clerk.

To: City of Okeechobee City Council

Date: June 2, 2020

Subject: **City of Okeechobee**
Competitive Florida Partnership Grant Update
Community Planning Technical Assistance Grant Update

Background

- The City of Okeechobee has received two grant awards from the Florida Department of Economic Opportunity (DEO) Fiscal Year 2019-2020.
 - Competitive Florida Partnership Grant to prepare an Economic Development Strategy and Disaster Resiliency Plan.
 - Community Planning Technical Assistance Grant to draft amendments to the City's Comprehensive Plan and Land Development Code to implement the Economic Development Strategy and Disaster Resiliency Plan.
- At the City Council meeting on June 2, 2020, Jennifer Codo-Salisbury from the Central Florida Regional Planning Council (CFRPC) will provide an update regarding both grants.
- Please note the following upcoming activities regarding the grants.
 - A **Virtual Community Workshop** will be held on **Thursday, June 4, 2020 from 3:00 pm to 5:00 pm** to review the draft City of Okeechobee Economic Development Strategy and Disaster Resiliency Plan.
 - On June 16, 2020, the CFRPC will present to the City Council the draft City of Okeechobee Economic Development Strategy and Disaster Resiliency Plan.
 - On June 16, 2020, the CFRPC will present to the City Council a draft report outlining next steps to implement the Economic Development Strategy and Disaster Resiliency Plan including updates to the City's Comprehensive Plan and Land Development Code.

Attachment:

Public Notice of June 4, 2020 Virtual Community Workshop

Join Us!



Let's Look Forward Okeechobee!

Virtual Community Workshop

*Please share your comments on the City Okeechobee's
Draft Economic Development and Disaster Resiliency Strategy.*

*The Workshop provides the opportunity to discuss goals, strategies and next steps
identified for the future of the City of Okeechobee.*

Thursday, June 4, 2020

3:00 pm - 5:00 pm

Please join the workshop from your computer, tablet, or smartphone.
<https://www.gotomeet.me/cfrpc/okeechobee---virtual-community-workshop>

AND

Call in using your phone.
Access Number - (866) 453-0405
Participant Passcode 4275032

Please visit: www.cfrpc.org/okeechobee-florida. The website allows for the public
to provide comments and suggestions.

This effort has been made possible by the Florida Department of Economic Opportunity through a
Competitive Florida Partnership grant.

In compliance with the Americans with Disabilities Act (ADA), anyone who
needs a special accommodation to participate in this community virtual
workshop should notify the City of Okeechobee at (863) 763-3372 at least
48 hours in advance of the scheduled meeting.





City Of Okeechobee, Florida

FINANCIAL STATEMENTS

For Year Ended September 30, 2019



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRlcpa.com

City of Okeechobee, Florida
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For the year ended September 30, 2019

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City of Okeechobee, Florida
City Officials
For the year ended September 30, 2019

Dowling R. Watford, Jr.
Mayor, Chairman

Wes Abney
Monica Clark
Bob Jarriel
Bobby Keefe
Council Members

John R. Cook
City Attorney

Marcos Montes De Oca
City Administrator

Lane Gamiotea
City Clerk

India Riedel
Finance Director

Herbert Smith
Chief of Fire

Robert Peterson
Chief of Police

David Allen
Director of Public Works

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of the City Council
of the City of Okeechobee, Florida

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Okeechobee, Florida Municipal Police Officers' Pension Trust Fund and City of Okeechobee, Florida Municipal Firefighters' Pension Trust Fund and the City of Okeechobee Employees' Retirement System, which represent 100% of the assets, net position and additions of the pension trust fiduciary funds. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the City of Okeechobee, Florida Municipal Police Officers' Pension Trust Fund and City of Okeechobee, Florida Municipal Firefighters' Pension Trust Fund and the City of Okeechobee Employees' Retirement System is based on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the City of Okeechobee, Florida Municipal Police Officers' Pension Trust Fund, the City of Okeechobee, Florida Municipal Firefighters' Pension Trust Fund, and the City of Okeechobee Employees' Retirement System were not audited in accordance with *Government Auditing Standards*.

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

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the City of Okeechobee, Florida, as of September 30, 2019, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 9 through 16), the budgetary comparison information (page 63 and page 71), and the pension and other postemployment benefits information (pages 64 through 70 and pages 72 through 73) 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Okeechobee, Florida's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2020 on our consideration of the City of Okeechobee, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Okeechobee's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Okeechobee, Florida's internal control over financial reporting and compliance.

Cam, Riggs & Ingram, L.L.C.

Melbourne, Florida

May 22, 2020

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City of Okeechobee, Florida Management's Discussion and Analysis

Our discussion and analysis of the City of Okeechobee, Florida's ("the City's") financial performance provides an overview of the City's financial activities for the year ended September 30, 2019. Please read it in conjunction with the City's basic financial statements, which immediately follow this discussion.

FINANCIAL HIGHLIGHTS

The following are highlights of financial activity for the year ended September 30, 2019:

- The City's total assets exceeded its liabilities at September 30, 2019 by \$20,400,951.
- The City's total revenues were \$7,166,137 for the year ended September 30, 2019, compared to total expenses of \$6,942,746, which resulted in a \$223,391 increase in net position.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to basic financial statements.

A. Government-Wide Financial Statements

The government-wide financial statements, which consist of the following two statements, are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the 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 items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 19 and 20 of this report.

B. Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City's funds can be divided into two fund types: governmental funds and fiduciary funds.

B. Fund Financial Statements (Continued)

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 21 through 23 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

The basic fiduciary fund financial statements can be found on pages 24 and 25 of this report.

C. Notes to Basic Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 27 through 59 of this report.

City of Okeechobee, Florida
Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of financial position. The following table reflects the condensed government-wide statement of net position.

	2019	2018
Current assets	\$ 11,822,942	\$ 11,378,309
Capital assets	8,234,983	8,532,680
Noncurrent assets	1,764,508	1,226,289
Total assets	21,822,433	21,137,278
Deferred outflows	830,245	1,625,927
Current liabilities	281,767	299,389
Noncurrent liabilities	593,411	580,636
Total liabilities	875,178	880,025
Deferred inflows	1,376,549	1,705,620
Net position:		
Net investment in capital assets	8,235,624	8,532,680
Restricted	1,111,541	1,184,520
Unrestricted	11,054,427	10,460,360
Total net position	\$ 20,400,951	\$ 20,177,560

Governmental Activities

Total net position increased by \$223,391 primarily as a result of \$685,155 increase in total assets, and a \$4,847 decrease of total liabilities. Deferred outflows and inflows related to pensions decreased by \$795,682 and \$329,071, respectively. The increase in total assets was primarily due to a \$444,633 increase in current assets, a \$538,219 increase in noncurrent assets due to an increase in net pension asset, offset by a decrease in capital assets of \$297,697. The net change in current and noncurrent liabilities was \$4,847 as current liabilities decreased by \$17,622 related to timing of payables and non-current liabilities increased by \$12,775 resulting from a \$4,849 increase in the OPEB obligation with the total offset by an increase in compensated absences of \$7,926.

City of Okeechobee, Florida
Management's Discussion and Analysis

The following table shows condensed revenue and expense data:

City of Okeechobee, Florida <u>Statement of Activities</u>		2019	2018
REVENUES:			
Program revenues:			
Charges for services	\$ 785,739	\$	635,293
Operating grants and contributions	672,476		692,885
Capital grants and contributions	183,630		246,375
General revenues:			
Property taxes	2,238,173		2,101,971
Public utility taxes	860,362		853,799
Franchise fees	568,062		553,565
Shared revenues	1,618,950		1,480,838
Investment income	222,420		154,650
Other income	16,325		99,508
Total revenues	7,166,137		6,818,884
EXPENSES:			
General government	1,415,324		938,034
Public safety	3,918,479		3,789,940
Transportation	732,470		496,943
Physical environment	869,723		873,418
Culture and recreation	6,750		9,407
Total expenses	6,942,746		6,107,742
Change in net position	223,391		711,142
Net position, beginning of year	20,177,560		19,466,418
Net position, ending September 30	\$ 20,400,951	\$	20,177,560

City of Okeechobee, Florida Management's Discussion and Analysis

The City experienced an increase of 5.1% in total revenues – a \$347,253 increase to \$7.16 million. The increase is primarily due to a \$150,446 increase in charges for services and the shared revenues increase of \$138,112 in general revenue. An increase in the assessed taxable values and continuing millage rate of 7.9932 were the contributory factors in the increase of property tax revenue of \$136,202. Utility Tax and Franchise fee revenues increased \$6,563 and \$14,497 respectively, primarily based on higher consumer consumption. The City experienced an increase of 13.7% in total expenses – a \$835,004 increase to \$6.9 million. The increase is primarily due to a \$477,290 increase in expenses for general government. The \$235,527 increase in transportation expense and \$128,539 increase in public safety also were large contributors to the overall increase in expenditures for the year. The combined increase in expense and increase in revenues resulted in an increase in net position of \$223,391.

FUND FINANCIAL ANALYSIS

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$11,495,123 an increase of \$458,977 in comparison with the prior year. Approximately 73% of this total amount \$8,433,872, constitutes unassigned fund balance, which is available for spending at the government's discretion. Assigned fund balances include \$1,914,755 for subsequent year's expenditures. Public facilities fund balance of \$1,103,396 plus law enforcement \$8,145 are restricted funds based on their specific stipulated purpose. The remainder of fund balance is non-spendable inventory of \$34,955.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, assigned and unassigned fund balance of the general fund was \$10,086,277 while total fund balance was \$11,224,628. As a measure of the general fund's liquidity, it may be useful to compare both assigned and unassigned fund balance and total fund balance to total fund expenditures. The total assigned and unassigned fund balance and total fund balance represent approximately 142% and 158% respectively of total general fund expenditures.

Revenues from grants were used in the construction of infrastructure and other improvements in the City in the prior year.

City of Okeechobee, Florida Management's Discussion and Analysis

General Fund Budgetary Highlights

The amount appropriated for expenditures in the original 18/19 budget decreased from \$8,293,077 to \$7,278,303 in the final 18/19 budget, a decrease of \$1,014,774. The decrease in general government expenses, fire and police public safety expenses, physical environment expenses, transportation expenses and capital outlay largely contributed to the overall decrease in expenditures.

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital assets. The City's investment in capital assets as of September 30, 2019, amounted to \$8,234,983, (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment and construction in progress. During the year, the City's net capital asset balance decreased \$297,697.

The City's major additions of \$587,187 to capital assets during the current fiscal year included the following:

- Replacement computers for (4)-Police Department
- Replace (11) police vehicles including equipment for Police Department; (1) motorcycle; (1) Pickup for Public Works
- Roadside Radar (2) with trailers
- LED Solar blinking stop signs
- Mobile/Portable handheld radios (2) Fire Department; (4) Police Department
- Tasers (1) including harnesses, etc.; (1) Radar
- Replacement bunker gear
- Zero turn mower (finishing mower)
- 12 Grills for Centennial Park

City of Okeechobee, Florida
Management's Discussion and Analysis

City's Capital Assets
(net of depreciation)

	2019	2018
Land	\$ 1,378,744	\$ 1,378,744
Buildings	1,143,049	1,183,251
Improvements other than buildings	4,154,231	4,448,127
Equipment	1,558,959	1,522,558
Total	\$ 8,234,983	\$ 8,532,680

Additional information on the City's capital assets can be found in Note 4.C. on page 39 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City Council adopted a millage rate of 7.6018 for budget year 2020. The adopted millage rate is the same as the of the roll-back rate of 7.6018. A \$40,515 increase in budgeted ad valorem revenue is largely due to the increase in new construction added to this year's assessed tax rolls.

Revenues for the fiscal year 2020 adopted budget for all funds of the City total approximately \$7,682,496, an increase from the prior year final budget of approximately \$532,385. These revenues include the General, Public Facility, Capital Projects and Special Law Enforcement fund revenues. The change in revenue is based mostly on the expected increase in Ad Valorem Tax revenue and Intergovernmental revenues.

Expenditures for the fiscal year 2020 adopted budget for all funds of the City total approximately \$9,622,593, an increase of 12.4% or \$1,058,016 from the prior year budget. The increase in expenditures is based mostly on the Increase general government and transportation related expenditures

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Okeechobee's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Okeechobee, 55 S.E. Third Avenue, Okeechobee, Florida 34974.

BASIC FINANCIAL STATEMENTS

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City of Okeechobee, Florida
Statement of Net Position - Governmental Activities

September 30, 2019

ASSETS

Cash and cash equivalents	\$ 2,952,579
Investments	8,470,359
Accounts receivable	167,811
Due from other governments	197,238
Inventory	34,955
Capital assets:	
Nondepreciable	
Land	1,378,744
Depreciable, net of accumulated depreciation	
Buildings	1,143,049
Improvements other than buildings	4,154,231
Equipment	1,558,959
Net pension asset	1,764,508
Total assets	21,822,433

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflow - pensions	830,245
Total deferred outflows of resources	830,245

LIABILITIES

Accounts payable	209,111
Accrued expenses	72,656
Noncurrent liabilities:	
Due within one year - compensated absences	43,516
Due in more than one year	
Compensated absences	391,936
OPEB liability	157,959
Total liabilities	875,178

DEFERRED INFLOWS OF RESOURCES

Deferred inflow - business tax receipts	46,052
Deferred inflow - pensions	1,330,497
Total deferred inflows of resources	1,376,549

NET POSITION

Net investment in capital assets	8,234,983
Restricted for:	
Law enforcement	8,145
Public facilities	1,103,396
Unrestricted	11,054,427
Total net position	\$ 20,400,951

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

City of Okeechobee, Florida
Statement of Activities - Governmental Activities

<i>Year ended September 30, 2019</i>		Program Revenues			Net (Expense)
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
General government	\$ 1,415,324	\$ 727,775	\$ -	\$ -	\$ (687,549)
Public safety	3,918,479	30,540	-	-	(3,887,939)
Transportation	732,470	27,424	672,476	-	(32,570)
Physical environment	869,723	-	-	183,630	(686,093)
Culture & recreation	6,750	-	-	-	(6,750)
Total governmental activities	\$ 6,942,746	\$ 785,739	\$ 672,476	\$ 183,630	(5,300,901)
General revenues:					
Property taxes					2,238,173
Public utility taxes					860,362
Franchise fees					568,062
Shared revenues not restricted to specific programs					1,618,950
Unrestricted investment earnings					222,420
Miscellaneous					16,325
Total general revenues					5,524,292
Change in net position					223,391
Net position, beginning of year					20,177,560
Net position, end of year					\$ 20,400,951

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

City of Okeechobee, Florida
Balance Sheet - Governmental Funds

<i>September 30, 2019</i>	General	Community Development Capital Project	Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,673,781	\$ 261,757	\$ 17,041	\$ 2,952,579
Investments	8,470,359	-	-	8,470,359
Accounts receivable	167,811	-	-	167,811
Due from other funds	8,303	-	-	8,303
Due from other governments	197,238	-	-	197,238
Inventory	34,955	-	-	34,955
Total assets	\$ 11,552,447	\$ 261,757	\$ 17,041	\$ 11,831,245
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 209,111	\$ -	\$ -	\$ 209,111
Accrued expenses	72,656	-	-	72,656
Due to other funds	-	-	8,303	8,303
Total liabilities	281,767	-	8,303	290,070
Deferred inflows of resources:				
Deferred revenue - business tax revenue	46,052	-	-	46,052
Fund balances:				
Nonspendable for:				
Inventory	34,955	-	-	34,955
Restricted for:				
Public facilities	1,103,396	-	-	1,103,396
Law enforcement	-	-	8,145	8,145
Assigned for:				
Subsequent year's expenditures	1,914,755	-	-	1,914,755
Unassigned	8,171,522	261,757	593	8,433,872
Total fund balances	11,224,628	261,757	8,738	11,495,123
Total liabilities, deferred inflows of resources and fund balances	\$ 11,552,447	\$ 261,757	\$ 17,041	
Amounts reported for governmental activities in the statement of net position are different because:				
Deferred outflows of resources related to pensions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.				830,245
Deferred inflows of resources related to pensions are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.				(1,330,497)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				8,234,983
Net pension assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				1,764,508
Long-term liabilities, including the net OPEB obligation and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.				(593,411)
Net position of governmental activities				\$ 20,400,951

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

City of Okeechobee, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds

<i>Year ended September 30, 2019</i>	General	Community Development Capital Project	Nonmajor Funds	Total Governmental Funds
Revenues				
Taxes	\$ 3,097,423	\$ -	\$ -	\$ 3,097,423
Intergovernmental	2,528,480	183,630	-	2,712,110
Charges for services	420,181	-	-	420,181
Permits and fees	802,084	-	-	802,084
Fines and forfeitures	36,048	-	4,133	40,181
Investment earnings	222,420	-	-	222,420
Miscellaneous	14,692	-	-	14,692
Total revenues	7,121,328	183,630	4,133	7,309,091
Expenditures				
Current:				
General government	1,308,834	-	-	1,308,834
Public safety	3,862,256	-	356	3,862,612
Transportation	1,116,651	-	-	1,116,651
Physical environment	212,308	-	-	212,308
Recreation	6,750	-	-	6,750
Capital outlay	587,187	-	-	587,187
Total expenditures	7,093,986	-	356	7,094,342
Excess of revenues over expenditures	27,342	183,630	3,777	214,749
Other financing sources (uses)				
Proceeds from sale of capital assets	244,228	-	-	244,228
Total other financing sources (uses)	244,228	-	-	244,228
Net change in fund balances	271,570	183,630	3,777	458,977
Fund balances, beginning of year	10,953,058	78,127	4,961	11,036,146
Fund balances, end of year	\$ 11,224,628	\$ 261,757	\$ 8,738	\$ 11,495,123

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

City of Okeechobee, Florida

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities**

Year ended September 30, 2019

Net change in fund balances - total governmental funds	\$	458,977
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Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		(49,626)
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In the statement of activities, only the gain (loss) on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets.		(248,071)
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Pension contributions are reported as expenditures in the fund financial statements and the change in net position asset and related outflows (inflows) are reported on the statement of activities.		74,886
--	--	---------------

Other post employment benefits are reported as expenditures in the fund financial statements and the change in net position asset and related outflows (inflows) are reported on the statement of activities.		(4,849)
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Compensated absences are reported in the statement of activities when earned. As they do not require the use of current financial resources, they are not reported as expenditures on governmental funds until they have matured. This is the net amount of compensated absences reported in the statement of activities in the prior year that have matured in the current year.		(7,926)
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Change in net position of governmental activities	\$	223,391
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The accompanying notes are an integral part of these financial statements.

City of Okeechobee, Florida
Statement of Fiduciary Net Position - Pension Trust Funds

<i>September 30, 2019</i>	Pension Trust Funds
ASSETS	
Cash equivalents	\$ 364,917
Investments:	
Mutual funds	18,721,021
Receivables	102,700
Prepaid expenses	1,318
Due from other plan	652
Total assets	19,190,608
LIABILITIES	
Accounts payable	120,859
Due to other plan	652
Total liabilities	121,511
NET POSITION	
Restricted for pension benefits	\$ 19,069,097

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

City of Okeechobee, Florida
Statement of Changes in Fiduciary Net Position - Pension Trust Funds

<i>Year ended September 30, 2019</i>	Pension Trust Funds
ADDITIONS	
Contributions:	
State	\$ 142,962
City	330,199
Employees	140,325
Total contributions	613,486
Investment earnings:	
Net appreciation in the fair value of investments	106,033
Interest and dividends	582,547
Total investment earnings	688,580
Less investment expenses	(61,629)
Net investment earnings	626,951
Total additions	1,240,437
DEDUCTIONS	
Benefits paid to participants	595,687
Refunds on termination	22,233
DROP payments	310,165
Administrative expenses	144,036
Total deductions	1,072,121
Change in net position	168,316
Net position, beginning of year	18,900,781
Net position, end of year	\$ 19,069,097

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Okeechobee (the “City”) was originally incorporated in 1915 and its present charter was adopted in 1919 under Chapter 8318 of Special Acts of 1919. The City operates under the council form of government and provides the following services: general government, public safety, transportation and physical environment.

These financial statements present the primary government and its component units. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and so data from these units are combined with data of the primary government. Discretely presented component units are entities that are legally separate from the City, but whose relationship with the City are such that the exclusion would cause the City’s financial statements to be misleading or incomplete. The City has no discretely presented component units.

The City reports the following component units:

Municipal Firefighters’ Pension Trust Fund – The fund is under the supervision of a five member local independent Board of Trustees who are selected for office under the provisions of Florida Statutes, Chapter 175. The Board of Trustees cannot amend the provisions of the plan without the approval of the City Council. This plan covers all full-time firefighters of the City. The City funds the plan, according to any contribution deficit as determined by an actuarial valuation for the plan, beyond the contributions by employees and the State Insurance Premium Tax Contribution. It is accounted for in the Pension Trust funds.

Municipal Police Officers’ Pension Trust Fund – The fund is under the supervision of a five member local independent Board of Trustees who are selected for office under the provisions of Florida Statutes, Chapter 185. The Board of Trustees cannot amend the provisions of the plan without the approval of the City Council. This plan covers all full-time sworn officers of the City. The City funds the plan, according to any contribution deficit as determined by an actuarial valuation for the plan, beyond the contributions by employees and the State Insurance Premium Tax Contribution. It is accounted for in the Pension Trust funds.

The Employees’ Retirement System of the City of Okeechobee, Florida – The fund is under the supervision of a five member local independent Board of Trustees. The Board of Trustees cannot amend the provisions of the plan without the approval of the City Council. This plan benefits the City general employees. The City funds the plan. It is accounted for in the Pension Trust funds in 2019 as the City does have fiduciary responsibility.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. *Governmental activities* are those which normally are supported by taxes and intergovernmental revenues. Likewise the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports the following major governmental funds:

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

The *community development capital project fund* accounts for the assets, liabilities, revenues and expenditures related to the construction of infrastructure and other improvements in the City not including grant funds that are instead included in the appropriations grant capital project fund.

The City reports the following nonmajor governmental funds:

The *law enforcement special revenue fund* accounts for the assets that are restricted to fund certain expenditures of the City's police department.

The *appropriations grant capital projects fund* accounts for the financial resources related to the construction of infrastructure and other improvements in the City provided by specific grants and matching funds.

Additionally, the City reports the following fund types:

The *pension trust fund* account is used to account for assets held by the City in a fiduciary capacity for the general employees', police officers' and firefighters' pension plans. The funds are operated by carrying out specific terms of statutes, ordinances and other governing regulations.

The effect of interfund activity has been eliminated from the government-wide financial statements.

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

Expenditures for compensated absences are allocated based on the assigned function of the related employee.

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY

1. *Cash and investments*

The investment of municipal funds is authorized by local ordinance and Florida Statutes. This allows the City to invest in the Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, SEC registered money market funds with the highest credit quality rating, interest-bearing time deposits or savings accounts in qualified public depositories, direct obligations of the U.S. Treasury, commercial paper with certain ratings, pre-refunded municipal obligations, banker's acceptances maturing within one year, investment agreements, direct and general long-term and short-term obligations of any state with proper credit rating and full faith and credit pledge, municipal obligations with proper credit rating and repurchase agreements with maturities of 30 days or less with organizations with certain stipulations and requirements.

The City invests certain surplus funds in an external investment pool, the Local Government Surplus Funds Trust Fund (the "State Pool"). The State Pool is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight.

The Florida PRIME has adopted operating procedures consistent with the requirements for an investment pool under GASB 150: *Investments* to be reported at amortized cost. The fair value of the City's position in the pool is equal to the value of pooled shares. The funds can be withdrawn at any time, and there are no unfunded commitments.

The City pools the investments of its governmental funds. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant funds' investment to the total pooled investment.

Cash and cash equivalents include cash deposits, cash funds held in broker accounts and investments held in the Local Government Surplus Funds Trust Fund (Florida PRIME).

Within the firefighters', police officers' and general employees' pension trust funds, plan assets are managed by Bowen, Hanes, and Company. The plans follow the investment guidelines as established within the ordinance. The pension trust funds are allowed to invest in the State Pool; obligations of the U.S. Government or agencies thereof; banking institutions within the state and other such institutions within the guidelines of the state statutes, which are insured by the Federal Deposit Insurance Corporation; investment agreements; direct and general long-term obligations of any state with proper credit rating and full faith and credit pledge; municipal obligations with proper credit rating; annuity and life insurance contracts; bonds issued by the State of Israel; and stocks, bonds, and commingled funds administered by National or State banks or evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, provided that the corporation is listed on a nationally recognized exchange and holds proper credit ratings as set forth by a major credit rating service. These equity investments are not to exceed 60% of the assets of the pension trust funds on a cost basis. Temporary investment funds held by the custodian in a money market fund are classified as cash equivalents within the investment account.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (Continued)

1. Cash and investments (continued)

Pension trust fund investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price. Shares of mutual funds, including proprietary funds and common and collective funds are valued at quoted market prices, which represent the net asset value of shares held by the pension trust fund at year-end. Interest is recognized when earned. Gains and losses from the sale or exchange of investments are recognized on the transaction date. The difference between the excess of fair value over cost represents unrealized gains.

2. Receivables and payables

All trade and property tax receivables are considered to be fully collectible.

The City's property tax is levied annually on the real and personal property located in the City on January 1st of the prior year. Tax collections by the Okeechobee County tax collector begin in November of each year with a due date of March 31 of the following year. All property taxes remaining unpaid at May 30 are subject to a tax certificate sale.

The City is permitted by State law to levy taxes up to 10 mills on assessed valuation. During a Special Session in June 2007, the Florida Legislature adopted HB1B, which limits municipal property tax rates beginning in the 2008 fiscal year. This legislation established reductions in the millage rate based on a calculated growth in per capita taxes between the 2002 and 2007 fiscal years. The Legislature did authorize local governments to use the rolled back millage rate if approved by a super majority vote of the governing body. The Okeechobee City Council levy for the fiscal year ended September 30, 2019 was 7.9932 mills, which is 4.76% more than the rolled back rate.

The City Council determines the millage rates and adopts a tax levy by resolution prior to September 30 to fund the next ensuing fiscal year's budget. The assessment of all properties and collection of municipal taxes are provided by the County's Property Appraiser and Tax Collector. The ad valorem tax calendar is as follows:

Lien date	-	January 1
Levy date	-	Prior to September 30
Due date	-	November 1
Delinquent date	-	April 1

3. Inventory

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (Continued)

4. Capital assets

Capital assets, which include: property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Assets	Years
Buildings	25-60
Building improvements	12-20
Vehicles	10
Equipment	5-15

5. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All sick and vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6. Deferred inflows and outflows of resources

The deferred outflows and inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Total deferred inflows of resources related to pensions were \$1,330,497, and total deferred outflows were \$830,245 for the year ended September 30, 2019. Note 5-B includes a complete discussion of retirement commitments.

Resources received before time requirements have been met, for example business tax revenues, are classified as deferred inflows of resources.

7. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (Continued)

7. Long-term obligations (continued)

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources.

8. Fund equity

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable Fund Balance – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amounts of loans and notes receivables, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

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

Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Council, the Council’s highest level of decision making authority. Commitments may be changed or lifted only by the council taking the same formal action (resolution) that imposed the constraint originally. The City had no committed fund balance at year end.

Assigned Fund Balance – Includes spendable fund balance amounts established by the City Administrator or the Council that are intended to be used for specific purposes that are neither considered restricted or committed.

Unassigned Fund Balance – Unassigned fund balance is 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. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

The City would typically use restricted fund balances first, followed by committed resources and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (Continued)

9. Pensions

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 City's Police Officers' and Firefighters' pension trust funds and the Florida Retirement System Pension Plan and Health Insurance Subsidy Program and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

10. Other post-employment benefits

The City participates in a single employer, defined benefit, other post-employment plan. The City does not have a trust for the plan, and there is no actuarially determined contribution. The OPEB liability is determined in accordance with GASBC P52: *Other Post-employment Benefits*.

11. Use of estimates

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

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

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

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

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 2: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION (Continued)

One element of that reconciliation states that "long-term liabilities, including the net OPEB obligation and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$(593,411) difference are as follows:

Net OPEB obligation	\$ (157,959)
Compensated absences	(435,452)
Net adjustment to reduce fund balance - total governmental funds to arrive at net position-governmental activities	<u>\$ (593,411)</u>

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

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures".

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense." The details of this \$(49,626) difference are as follows:

Capital outlay	\$ 587,187
Depreciation expense	(636,813)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (49,626)</u>

NOTE 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

As permitted by GASB Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, the City has elected to disclose all budgetary information in the notes to the required supplementary information.

NOTE 4: DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

As of September 30, 2019, \$250,000 of the City's bank balances is covered by federal depository insurance (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City pursuant to Section 280.08, Florida Statutes.

At the close of the fiscal year, the City held investments in the Local Government Surplus Funds Trust Fund ("Florida PRIME") external investment pool. The Florida PRIME is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight. Florida PRIME currently meets all of the necessary criteria set forth in Section 150: *Investment Pools (External)* of the GASB Codification to measure its investments at amortized cost; therefore, the City's account balance in the SBA is also reported at amortized cost.

Fair Value

GASBC 150: *Investments*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under GASBC 150 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2: Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 4: DETAILED NOTES ON ALL FUNDS (Continued)

A. DEPOSITS AND INVESTMENTS (Continued)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2019.

Level 1 investments noted in the following table are valued at quoted market prices.

Level 2 investments noted in the following table are valued at quoted prices for similar liabilities in active markets.

The money market fund is valued at amortized cost. They can be redeemed daily, and have no unfunded commitments.

Mutual funds – equities are valued at quoted market prices.

Mutual funds – fixed income are valued using price models maximizing the use of observable inputs for similar securities. This includes basing value on yield currently available on comparable securities of issues with similar credit ratings.

At September 30, 2019, the City had the following investments and effective duration presented in terms of years and levels:

Investment type	Fair Value	Less than 1	1 - 5	6 - 10	More than 10	Rating	Agency	Level
Primary government:								
SBA (Florida Prime)	8,470,359	\$ 8,470,359	\$ -	\$ -	\$ -	AAAm	S&P	-
Primary government total	\$ 8,470,359	\$ 8,470,359	\$ -	\$ -	\$ -			
Pension trust funds:								
Mutual funds- equities	12,116,431	-	-	12,116,431	-	Not rated	-	L1
Mutual funds- fixed income	6,604,590	-	-	6,604,590	-	BBB - AA	S&P	L2
	\$ 18,721,021	\$ -	\$ -	\$ 18,721,021	\$ -			
Cash Equivalents, at amortized cost								
Money Market Fund	364,917							
Total Cash Equivalents, at cost	364,917							
Pension trust fund total	\$ 19,085,938							

Credit risk

Credit risk for fixed income securities is the risk that the issuer will not fulfill its obligations. The City's investment policy does not address credit risk; however, investments are limited to state sponsored investment pools, which are diversified in their underlying portfolios so that potential losses will be minimized. The investment policies for the firefighters', police officers' and general employees' pension trust funds limit investments to securities with specific ranking criteria.

NOTE 4: DETAILED NOTES ON ALL FUNDS (Continued)

A. DEPOSITS AND INVESTMENTS (Continued)

Interest rate risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. In accordance with Florida Statute 218.415(6), the City's policy is to match investment maturities with known cash needs and anticipated cash flow requirements. The City's pension trust funds do not address interest rate risk.

Concentration of credit risk

Concentration of credit risk is an increased risk of loss that occurs as more investments are acquired from one issuer (i.e. lack of diversification). The City's investment policy and the investment policies for the firefighters', police officers' and general employees' pension trust funds do not specifically address concentration of credit risk.

Foreign currency risk

The City's firefighters', police officers', and general employees' pension trust funds contain investments in foreign corporate bonds; however, all of the investments are denominated in U.S. dollars and are not exposed to foreign currency risk.

B. RECEIVABLES

Receivables as of September 30, 2019 are as follows:

		General		Municipal		Municipal		General
		Fund		Police Officers'		Firefighters'		Employees
				Pension		Pension		Pension Trust
				Trust		Trust		
Franchise/Utility taxes	\$	114,764	\$	-	\$	-	\$	-
Contributions		-		41,905		23,554		37,241
Other		53,047		-		-		-
Receivables, net	\$	167,811	\$	41,905	\$	23,554	\$	37,241

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 4: DETAILED NOTES ON ALL FUNDS (Continued)

C. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,378,744	\$ -	\$ -	\$ 1,378,744
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	1,378,744	-	-	1,378,744
Capital assets, being depreciated:				
Buildings	2,267,258	35,865	-	2,303,123
Improvements other than buildings	8,155,303	32,200	(113,080)	8,074,423
Equipment	3,804,191	519,122	(484,111)	3,839,202
Total capital assets, being depreciated	14,226,752	587,187	(597,191)	14,216,748
Less accumulated depreciation for:				
Buildings	(1,084,007)	(76,067)	-	(1,160,074)
Improvements other than buildings	(3,707,176)	(326,096)	113,080	(3,920,192)
Equipment	(2,281,633)	(234,650)	236,040	(2,280,243)
Total accumulated depreciation	(7,072,816)	(636,813)	349,120	(7,360,509)
Total capital assets, being depreciated, net	7,153,936	(49,626)	(248,071)	6,856,239
Governmental activities capital assets, net	\$ 8,532,680	\$ (49,626)	\$ (248,071)	\$ 8,234,983

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

Governmental activities:	
General government	\$ 109,985
Public safety	226,438
Physical environment	300,390
Total depreciation expense - governmental activities	\$ 636,813

NOTE 4: DETAILED NOTES ON ALL FUNDS (Continued)

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund loans for short-term operating purposes resulted in a due to the General fund from the Law Enforcement Trust fund of \$8,303. All amounts are expected to be repaid within one year.

E. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 427,526	\$ 172,211	\$ (164,285)	\$ 435,452	\$ 43,516
Net OPEB liability	153,110	4,849	-	157,959	-
Long-term liabilities	\$ 580,636	\$ 177,060	\$ (164,285)	\$ 593,411	\$ 43,516

For the governmental activities, compensated absences are generally liquidated by the general fund.

NOTE 5: OTHER INFORMATION

A. RISK MANAGEMENT

The City is exposed to various risks of loss, including, but not limited to theft, damage or destruction of its buildings, equipment, records and monetary assets, and liability for personal injury, property damage and consequences of employee and public official actions. The City participates in a non-assessable public risk pool to cover significant loss exposure and purchases commercial insurance for third party pollution liability coverage. The pool maintains a loss reserve and purchases specific excess insurance, aggregate excess insurance and multiple loss coverage from commercial carriers and underwriters.

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS

Plan Descriptions – The City contributes to two single-employer defined benefit pension plans: City of Okeechobee Municipal Police Officers’ Pension Trust Fund and City of Okeechobee Municipal Firefighters’ Pension Trust Fund (the “Plans”). The Plans provide retirement, disability and death benefits to plan members and their beneficiaries. Chapters 185 and 175 of the Florida Statutes establish the minimum benefits and the minimum standards for the operation and funding of the Police Officers’ and the Firefighters’ Municipal Pension Trust Funds, respectively. Per City Ordinances Nos. 750 and 749, sole responsibility for administering the Plans is vested in the Board of Trustees of each plan. The Boards cannot amend the provisions of the plans without the approval of the City. The Plans issue publicly available financial reports that include financial statements and required supplementary information. The reports are available from the City of Okeechobee, Florida, 55 S.E. Third Avenue, Okeechobee, Florida 34974.

At September 30, 2019, the Police Officers’ plan included 10 retirees or beneficiaries either receiving or entitled to receive benefits, plus 4 survivor beneficiaries. The Police Officers’ plan also includes 1 terminated member with vested benefits, and has 3 DROP participants. There are 21 active current employees of which 9 are vested and 12 are non-vested.

At September 30, 2019, the Firefighters’ plan included 5 retirees receiving or entitled to receive benefits, plus 1 beneficiary receiving benefits. The Plan also included 2 DROP participants. There are 10 active current employees of which 5 are vested and 5 are non-vested.

Funding Policies – The contribution requirements of plan members and the City are established and may be amended by City ordinance. Plan members are required to contribute 5% of their annual covered salary for the Police Officers’ and Firefighters’ Municipal Trust Funds. The City is required to contribute an amount equal to the difference in each year between the total aggregate member contributions for the year, plus state contributions for such year, and the normal cost for the year, as shown by the most recent actuarial valuation of the plan; the current contribution rate as a percentage of covered payroll is 12.98% for the Police Officers’ plan and 17.72% for the Firefighters’ plan.

The City recognized as revenues and expenditures on-behalf payments relating to pension contributions for its public safety employees that the State of Florida paid to the Police Officers’ and Firefighters’ Plans in the amounts of \$90,152 and \$52,810, respectively. These contributions are funded by an excise tax upon certain casualty insurance companies on their gross receipts of premiums from policy holders.

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

The City and employees contributions for the year ended September 30, 2019, are as follows:

		City		Employees
Police Officers'	\$	130,887	\$	50,359
Firefighters'	\$	83,988	\$	23,945

Plan Investment Policies and Allocation of Plan Investments - Florida statutes and the plan investment policy authorize the Trustees to invest funds in various investments. The general investment objective of the fund is to preserve the purchasing power of the fund's assets and earn a reasonable rate of return (after inflation) over the long term while minimizing, to the extent reasonable, the short-term volatility of returns. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019, and the current target and actual allocation of these investments at market, per the performance analysis report, is as follows as of September 30, 2019:

Police Officers'		
Investments	Actual Percent	Target Percent
Domestic Equity	49.1%	45.0%
International Equity	14.9%	15.0%
Fixed Income	34.6%	40.0%
Cash Equivalents	1.4%	0.0%
Total	100.0%	100.0%

Firefighters'		
Investments	Actual Percent	Target Percent
Domestic Equity	48.0%	45.0%
International Equity	14.1%	15.0%
Fixed Income	36.5%	40.0%
Cash Equivalents	1.4%	0.0%
Total	100.0%	100.0%

Money-Weighted Rate of Return - For the year ended September 30, 2019, the annual money-weighted rate of return on the Police Officers' pension plan investments was (3.1%) and on the Firefighters' pension plan investments was (2.39%). The money-weighted rate of return expresses investment performance, net of plan investment expenses, as adjusted for the changing amounts actually invested on a monthly basis.

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

Net Pension Liability (Asset) – The City's net pension liability (asset) was measured as of September 30, 2018, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of September 30, 2019 for the Police Officers' and Firefighters pension plan.

Total Pension Liability	Police Officers'	Firefighters'
Service cost	\$ 258,622	\$ 136,825
Interest	580,995	257,407
Difference between actual & expected experience	(276,621)	(162,443)
Benefit payments, including refunds	(281,028)	(123,132)
Other	72,669	19,828
Net change in total pension liability	354,637	128,485
Total pension liability - beginning	8,504,923	3,811,073
Total pension liability - ending (a)	\$ 8,859,560	\$ 3,939,558
<hr/>		
Plan Fiduciary Net Position	Police Officers'	Firefighters'
Contributions - employer (from City)	\$ 151,492	\$ 115,253
Contributions - employer (from State)	81,690	52,793
Contributions - members	46,212	23,446
Net investment income	727,699	308,920
Benefit payments, including refunds	(281,028)	(123,132)
Administrative expense	(45,827)	(59,878)
Net change in plan fiduciary net position	680,238	317,402
Plan fiduciary net position - beginning	8,937,259	3,961,903
Plan fiduciary net position - ending (b)	9,617,497	4,279,305
<hr/>		
Net pension liability (asset) - Ending (a) - (b)	\$ (757,937)	\$ (339,747)
<hr/>		
Plan fiduciary net position as a percentage or Total Pension Liability (Asset)	108.56%	108.62%

For the year ending September 30, 2019, the City recognized a pension expense of \$166,229 for the Police Officers' Plan and \$139,252 for the Firefighters' Plan. On September 30, 2019, the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

Police Officers'		Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$	53,678	\$ 441,000
Change in assumptions		38,570	-
Net difference between projected and actual earnings on pension plan investments		-	191,406
Contributions subsequent to the measurement date		221,039	-
Total	\$	313,287	\$ 632,406

Firefighters'		Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$	34,421	\$ 217,899
Change in assumptions		25,205	9,765
Net difference between projected and actual earnings on pension plan investments		-	70,593
Contributions subsequent to the measurement date		136,798	-
Total	\$	196,424	\$ 298,257

Deferred outflows of \$357,837 resulting from City and State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year end September 30, 2019 for both the Police and Firefighters pension plans. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Police Officers'	
Year ended September 30:	
2020	\$ (80,399)
2021	(196,553)
2022	(178,617)
2023	(73,948)
2024	(10,641)
Total	\$ (540,158)

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

Firefighters'	
Year ended September 30:	
2020	\$ (10,952)
2021	(65,642)
2022	(62,240)
2023	(30,999)
2024	(30,277)
Thereafter	(38,521)
Total	\$ (238,631)

Net Pension Liability of the City of Okeechobee – The components of the net pension liability of the City at September 30, 2019, as follows, is presented in accordance with GASB Statement No. 67, while the net pensions recognized by the City in the current financial statements represents the net pension liability measured as of September 30, 2018 which is allowed by GASB Statement No. 68.

	Police		Fire	
Total pension liability	\$	9,051,402	\$	4,073,426
Plan fiduciary net position		(9,656,318)		(4,386,834)
City's net pension asset	\$	(604,916)	\$	(313,408)

Plan fiduciary net position as a percentage of total pension liability	106.68%	107.69%
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Expected Long-Term Rate of Return - The long-term expected rate of return on pension investments was determined using a building-block method in which best estimate ranges of future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (2.5%) to arrive at a 5.65% projected long-term real rate of return net of investment expenses. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019 are summarized as follows:

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

	Police Officers'	
	Percent	Long-Term
Investments	Target	Rate of Return*
Domestic Equity	45.0%	7.5%
International Equity	15.0%	8.5%
Fixed Income	40.0%	6.0%
Cash Equivalents	0.0%	0.0%
Total	100.0%	

*Net of long-term inflation assumption of 2.5%

	Firefighters'	
	Percent	Long-Term
Investments	Target	Rate of Return*
Domestic Equity	45.0%	7.5%
International Equity	15.0%	8.5%
Fixed Income	40.0%	6.0%
Cash Equivalents	0.0%	0.0%
Total	100.0%	

*Net of long-term inflation assumption of 2.5%

Discount Rate - The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in Discount Rate - The following presents the pension liability of the City, calculated using the discount rate of 7%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1% lower (6%) or 1% higher (8%) than the current rate:

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 5: OTHER INFORMATION (Continued)

C. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

	Police Officers'			
	1% Decrease		Current Discount	1% Increase
	6.00%		7.00%	8.00%
Sponsor's net pension liability (asset)	\$ 497,161	\$	(604,916)	\$ (1,518,714)
	Firefighters'			
	1% Decrease		Current Discount	1% Increase
	6.00%		7.00%	8.00%
Sponsor's net pension liability (asset)	\$ 195,787	\$	(313,408)	\$ (737,059)

The Employees' Retirement System (Fund) of the City of Okeechobee, Florida

Plan Description - Prior to October 1, 2016, both the Okeechobee Utility Authority (OUA) and the general employees of the City of Okeechobee, Florida were covered by the City of Okeechobee and Okeechobee Utility Authority Employee Retirement System. The plan was previously treated as a cost sharing multiple-employer plan when combined with the Okeechobee Utility Authority. Effective October 1, 2016, the City contributes to the Employees' Retirement System (Fund) of the City of Okeechobee, Florida (the "System"), a single employer, defined benefit contributory pension trust administered by the System's Board of Trustees. Substantially all of the City's regular employees participate in this public employee retirement system. The System was established by City Ordinance No. 655, as amended and restated by City Ordinance No. 686. The System provides retirement, disability and death benefits to plan members and their beneficiaries. The Board of Trustees is authorized by City Ordinance No. 686 to establish and amend all plan provisions. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report is available from the City of Okeechobee, Florida, 55 S.E. Third Avenue, Okeechobee, Florida 34974.

At September 30, 2019, the Plan included 17 retirees and/or beneficiaries currently receiving benefits plus 4 terminated employees entitled to benefits but not yet receiving them, and 1 DROP participant. There are 31 active current employees in the Plan, of which 14 are vested and 17 are non-vested.

Funding Policy - The contribution requirements of the plan members and the City are established and may be amended by City ordinance. Plan members are required to contribute 6% of their covered annual salary. The City is required to contribute at an actuarially determined rate; the current rate is 10.44% of covered payroll. The City's contributions for the year ended September 30, 2019, was \$114,875, which was \$449 short of the actuarially required contribution for the year of \$115,324.

Net Pension Liability (Asset) - For the year ending September 30, 2019, the City reported an asset of \$(666,824) for the Pension Plan's net pension (asset). The net pension liability (asset) was measured as of September 30, 2018, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of October 1, 2019.

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

	General	
Total Pension Liability		
Service cost	\$	154,529
Interest		284,633
Difference between actual & expected experience		20,956
Benefit payments, including refunds		(180,781)
Net change in total pension liability		279,337
Total pension liability - beginning		4,057,820
Total pension liability - ending (a)		4,337,157
 Plan Fiduciary Net Position		
Contributions - employer (from City)		75,793
Contributions - members		60,312
Net investment income		394,042
Benefit payments, including refunds		(180,781)
Administrative expense		(46,328)
Net change in plan fiduciary net position		303,038
Plan fiduciary net position - beginning		4,700,943
Plan fiduciary net position - ending (b)		5,003,981
 Net pension liability (asset) - Ending (a) - (b)	\$	(666,824)
 Plan fiduciary net position as a percentage of Total Pension Liability (Asset)		115.37%

The City and employees contributions for the year ended September 30, 2019, are as follows.

		City		Employees
General	\$	115,324	\$	66,021

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

Money-Weighted Rate of Return - The annual money-weighted rate of return on plan investments (calculated as the internal rate of return on plan investments, net of plan investment expense) was 2.23% for the year ended September 30, 2019. The money-weighted rate of return expresses investment performance, net of plan investment expenses, as adjusted for the changing amounts actually invested on a monthly basis.

For the year ending September 30, 2019 the City recognized a pension expense of \$443,349 for the General Employees' Retirement Plan. On September 30, 2019, the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

General		Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$	33,242	\$ 300,003
Change in assumptions		171,968	-
Net difference between projected and actual earnings on pension plan investments		-	99,831
Contributions subsequent to the measurement date		115,324	-
Total	\$	320,534	\$ 399,834

Deferred outflows of \$115,324 resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

General		
Year ended September 30:		
2020	\$	58,447
2021		(106,220)
2022		(85,910)
2023		(64,432)
2024		3,491
Total	\$	(194,624)

Net Pension Liability of the City of Okeechobee – The components of the net pension liability of the City at September 30, 2019, as follows, is presented in accordance with GASB Statement No. 67, while the net pensions recognized by the City in the current financial statements represents the net pension liability measured as of September 30, 2018 which is allowed by GASB Statement No. 68.

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

	General
Total pension liability	\$ 4,383,118
Plan fiduciary net position	(5,028,097)
City's net pension asset	\$ (644,979)

Plan fiduciary net position as a percentage of total pension liability	114.72%
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Plan Investment Policies and Allocation of Plan Investments - Florida statutes and the plan investment policy authorize the Trustees to invest funds in various investments. The general investment objective of the fund is to preserve the purchasing power of the fund's assets and earn reasonable rate of return (after inflation) over the long term while minimizing, to the extent reasonable, the short-term volatility of returns.

	General	
	Percent	Percent
Investments	Actual	Target
Domestic Equity	54.7%	50.0%
International Equity	10.1%	10.0%
Fixed Income	33.6%	40.0%
Cash Equivalents	1.6%	0.0%
Total	100.0%	100.0%

Expected Long-Term Rate of Return - The long term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation and actual allocation as of September 30, 2019 are summarized in the following table:

	General	
	Percent	Long-Term
Investments	Actual	Rate of Return*
Domestic Equity	54.7%	7.5%
International Equity	10.1%	8.5%
Fixed Income	33.6%	2.5%
Cash Equivalents	1.6%	0.0%
Total	100.0%	5.6%

*Net of long-term inflation assumption of 2.5%

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in Discount Rate – The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 7% as well as what the City's proportionate share of the net pension liability would be if it was calculated using a discount rate that is one percentage point lower (6%) or one percentage point higher (8%) than the current rate:

	General 1% Decrease 6.00%	Current Discount 7.00%	1% Increase 8.00%
Sponsor's net pension liability (asset)	\$ (145,707)	\$ (644,979)	\$ (1,065,575)

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of October 1, 2019 using the following actuarial assumptions applied to all measurement periods.

	Fire	Police	General
Actuarial Cost Method	Aggregate	Aggregate	Aggregate
Inflation	2.50%	2.50%	2.50%
Salary Increases	7.00%	6.00%	6.00%
Investment Rate of Return	7.00%	7.00%	7.00%
Retirement Age	100% when first eligible for Normal Retirement or DROP entry	100% when first eligible for Normal Retirement or DROP entry	100% when first eligible for Normal Retirement or DROP entry
Cost of Living	.05% every odd year	.05% every odd year	None

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

	Fire	Police	General
Mortality	<p>For healthy participants during employment, RP-2000 Combined Healthy Participant Mortality Tables, with 90% Blue Collar Adjustment/10% White Collar Adjustment for males and 100% White Collar Adjustment for females. Fully generational mortality improvements projected to each future decrement date with Scale BB. For disabled male participants, 60% RP-2000 Disabled Male Mortality Table setback four years/40% RP-2000 Annuitant Male Mortality Table with White Collar Adjustment with no setback, without projected mortality improvements. For disabled female participants, 60% RP-2000 Disabled Female Mortality Table setforward two years/40% RP-2000 Annuitant Female Mortality Table with White Collar Adjustment with no setback, without projected mortality improvements.</p>	<p>For healthy participants during employment, RP-2000 Combined Healthy Participant Mortality Tables, with 90% Blue Collar Adjustment/10% White Collar Adjustment for males and 100% White Collar Adjustment for females. Fully generational mortality improvements projected to each future decrement date with Scale BB. For disabled male participants, 60% RP-2000 Disabled Male Mortality Table setback four years/40% RP-2000 Annuitant Male Mortality Table with White Collar Adjustment with no setback, without projected mortality improvements. For disabled female participants, 60% RP-2000 Disabled Female Mortality Table setforward two years/40% RP-2000 Annuitant Female Mortality Table with White Collar Adjustment with no setback, without projected mortality improvements.</p>	<p>For healthy participants during employment, RP-2000 Combined Healthy Participant Mortality Tables, with 50% White Collar/50% Blue Collar Adjustment for male and 100% White Collar for female. Fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy participants post employment, RP-2000 Annuitant Mortality Tables, with 50% Blue Collar Adjustment/50% White Collar Adjustment for males and 100% White Collar Adjustment for females. Fully generational mortality improvements projected to each future decrement date with Scale BB. For disabled male participants, RP-2000 Disabled Male Mortality Table setback four years, without projected mortality improvements. For disabled female participants, RP-2000 Disabled Female Mortality Table setforward two years, without projected mortality improvements.</p>

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

Pension trust funds fiduciary net position activity as of September 30, 2019 was as follows:

	Firefighters' Pension	Police Officers' Pension	General Employees' Pension	Total Pension Trust Funds
ASSETS				
Cash equivalents	\$ 62,797	\$ 221,527	\$ 80,593	\$ 364,917
Investments:				
Mutual funds	4,313,546	9,491,828	4,915,647	18,721,021
Receivables	23,554	41,905	37,241	102,700
Due from other plan	652	-	-	652
Prepaid expenses	-	-	1,318	1,318
Total assets	4,400,549	9,755,260	5,034,799	19,190,608
LIABILITIES				
Accounts payable	13,062	101,095	6,702	120,859
Due to other plan	-	-	652	652
Total liabilities	13,062	101,095	7,354	121,511
NET POSITION				
Restricted for pension benefits	\$ 4,387,487	\$ 9,654,165	\$ 5,027,445	\$ 19,069,097

City of Okeechobee, Florida
Notes to Financial Statements

NOTE 5: OTHER INFORMATION (Continued)

B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)

Pension trust funds increase in fiduciary net position activity as of September 30, 2019 was as follows:

	Firefighters' Pension	Police Officers' Pension	General Employees' Pension	Total Pension Trust Funds
ADDITIONS				
Contributions				
State	\$ 52,810	\$ 90,152	\$ -	\$ 142,962
City	83,988	130,887	115,324	330,199
Employees	23,945	50,359	66,021	140,325
Total contributions	160,743	271,398	181,345	613,486
Investment earnings:				
Net appreciation in the fair value of investments	29,736	56,246	20,051	106,033
Interest and dividends	132,159	295,110	155,278	582,547
Total investment earnings	161,895	351,356	175,329	688,580
Less investment expenses	(21,000)	(21,129)	(19,500)	(61,629)
Net investment earnings	140,895	330,227	155,829	626,951
Total additions	301,638	601,625	337,174	1,240,437
DEDUCTIONS				
Benefits paid to participants	141,381	276,697	177,609	595,687
Refunds on termination	8,400	12,835	998	22,233
DROP payments	-	228,310	81,855	310,165
Administrative expenses	43,675	47,115	53,246	144,036
Total deductions	193,456	564,957	313,708	1,072,121
Change in net position	108,182	36,668	23,466	168,316
Net position, beginning of year	4,279,305	9,617,497	5,003,979	18,900,781
Net position, end of year	\$ 4,387,487	\$ 9,654,165	\$ 5,027,445	\$ 19,069,097

NOTE 5: OTHER INFORMATION (Continued)

C. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION

Plan description. The City of Okeechobee, Florida administers a single-employer defined benefit healthcare plan (the “Plan”) that provides medical insurance to its employees and their eligible dependents. Pursuant to Section 112.0801 Florida Statutes, the City is required to provide eligible retirees (as defined in the City’s pension plans) the opportunity to participate in this Plan at the same cost that is applicable to active employees. Benefit provisions for the Plan were established by City Council on January 7, 1991 and may only be amended by City Council. The City has not established a trust or agency fund for the Plan. The City does not issue stand-alone financial statements for this Plan. All financial information related to the Plan is accounted for in the City’s basic financial statements.

Employees and their dependents may elect to remain in the Plan upon retirement up to age 65. After age 65 the City's insurance coverage becomes secondary to the retiree's Medicare insurance. The Plan has 1 retiree receiving benefits and has a total of 62 active participants and dependents.

Funding policy. The City is funding the plan on a pay-as-you-go basis. Employees and their dependents are required to pay 100% of the insurance premiums charged by the carrier. There is an implied subsidy in the insurance premiums for these employees because the premium charged for retirees is the same as the premium charged for active employees, who are younger than retirees on average.

Contributions of plan members for the year ended September 30, 2019 totaled \$1,672.

Plan membership. Plan membership as of September 30, 2018 (the measurement date) was:

	Number of covered individuals
Inactive members currently receiving benefits	1
Inactive members entitled to but not yet receiving benefits	-
Active members	62
Total	63

The OPEB liability was determined based on the following assumptions and information:

Employer’s reporting date:	September 30, 2019
Measurement date:	September 20, 2018
Valuation date:	September 20, 2017

NOTE 5: OTHER INFORMATION (Continued)

C. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Actuarial assumptions and other inputs. On the September 30, 2018 measurement date, the actuarial assumptions and other inputs applied include the following:

Inflation	2.50 percent
Salary increases	6.00 percent
Discount rate	3.83 percent
Healthcare cost trend rates	9.00 percent for FY beginning 2018, 6.50 percent for FY beginning 2019 and then gradually decreasing to an ultimate trend of 4.25 percent
Mortality	RP-2000 Generational Combined Healthy Participant, projected from the year 2000 using Projection Scale AA
Changes	Include the change in the discount rate from 3.50% as of the beginning of the measurement period to 3.83% as of September 30, 2018.

Change in Total OPEB Liability

	<u>Increase (Decrease)</u>
	<u>Total OPEB</u>
	<u>Liability</u>
	<u>(a)</u>
Balance as of September 30, 2018	\$ 153,110
Changes for the year:	
Service cost	12,580
Interest	5,640
Changes in assumptions and other inputs	(4,290)
Benefit payments	(9,081)
Net changes	4,849
Balance as of September 30, 2019	\$ 157,959

NOTE 5: OTHER INFORMATION (Continued)

C. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Sensitivity of the Total OPEB Liability – The following table represents the City’s total OPEB liability calculated using the discount rate of 3.83%, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.83%) or one percentage point higher (4.83%) than the current rate:

	1% Decrease (2.83%)	Current Discount Rate (3.83%)	1% Increase (4.83%)
Total OPEB Liability	\$ 170,095	\$ 157,959	\$ 144,392

The following table represents the City’s total OPEB liability calculated using the ultimate health care cost trend rate of 4.25%, as well as what the City’s total OPEB liability would be if it were calculated using a health care cost trend that is one percentage point lower (3.25%) or one percentage point higher (5.25%) than the current rate:

	1% Decrease (3.25%)	Ultimate Trend (4.25%)	1% Increase (5.25%)
Total OPEB Liability	\$ 133,470	\$ 157,959	\$ 187,948

D. CONCENTRATION – COLLECTIVE BARGAINING UNIT

Members of the City’s fire department are covered by a collective bargaining agreement. The agreement with the employees covered by the International Association of Firefighters (IAFF) extended through September 30, 2009 and has not been renewed as of the date of our report.

E. ASSET RETIREMENT OBLIGATIONS

Asset retirement obligations generally apply to legal obligations associated with the retirement of a tangible long-lived asset that result from the acquisition, construction, or development and the normal operation of a long-lived asset. The City assesses asset retirement obligations on a periodic basis. If a reasonable estimate of fair value can be made, the fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred or a change in estimate occurs.

The City has an above ground fuel storage tank which is regulated by Florida Administrative Code (FAC) 62-762, and requires certain activities if use of the fuel storage tank is discontinued. The City has determined it cannot reasonably estimate the fair value of the liability for disposal of this item and, accordingly, has not recorded an asset retirement obligation for this matter.

NOTE 6: FUTURE ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 84, *Fiduciary Activities* ("GASB 84"), seeks to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. GASB 84 will be effective for the fiscal years beginning after December 15, 2019.

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

The City is evaluating the requirements of the above statements and the impact on reporting.

NOTE 7: SUBSEQUENT EVENTS

During October 2019, the City was awarded \$300,000 for the Southeast 4th Street Boat Ramp Project.

During November 2019, the City awarded the annual police vehicle purchase bid to an unrelated vendor for 12 police vehicles in the amount of approximately \$478,932.

During December 2019, the City approved an agreement with the Florida Department of Environmental Protection for \$400,000 for the Okeechobee Taylor Creek Southwest 4th Street Stormwater Conveyance.

In February 2020, the City awarded a bid to an unrelated party for the Centennial Park Restroom and Pavilion Improvements Project in the amount of \$175,562.

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, broad domestic and international stock market indices have declined and the City's fair value of investments has declined similarly. Such declines in the fair value of investments held by the City may materially and adversely impact the City's ability to achieve its investment objectives and therefore, its operational objectives. In addition, the extent to which these events will affect the amounts reported in future financial statements remains uncertain.

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**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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City of Okeechobee, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – General Fund

<i>Year ended September 30, 2019</i>	Original Budget	Final Budget	Actual (on Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 2,891,994	\$ 3,079,520	\$ 3,097,423	\$ 17,903
Intergovernmental	2,540,998	2,354,720	2,528,480	173,760
Charges for services	399,814	417,100	420,181	3,081
Permits and fees	574,550	769,750	802,084	32,334
Fines and forfeitures	9,775	20,720	36,048	15,328
Investment earnings	110,500	218,100	222,420	4,320
Miscellaneous	3,850	30,600	14,692	(15,908)
Total revenues	6,531,481	6,890,510	7,121,328	230,818
Expenditures				
Current:				
General government:				
Legislative	203,591	165,720	162,328	3,392
Executive	222,240	210,475	207,023	3,452
City clerk	239,384	225,183	220,211	4,972
Financial services	331,341	289,395	278,289	11,106
Legal council	116,260	79,370	77,192	2,178
General services	418,984	383,170	374,681	8,489
Total general government	1,531,800	1,353,313	1,319,724	33,589
Public safety:				
Fire	1,662,316	1,577,970	1,545,843	32,127
Police	2,522,208	2,374,070	2,342,507	31,563
Total public safety	4,184,524	3,952,040	3,888,350	63,690
Transportation	1,480,107	1,150,350	1,113,299	37,051
Physical environment	503,800	293,000	272,850	20,150
Capital outlay	592,846	529,600	511,154	18,446
Total expenditures	8,293,077	7,278,303	7,105,377	172,926
Excess (deficiency) of revenues under (over) expenditures	(1,761,596)	(387,793)	15,951	403,744
Other financing sources (uses)				
Sale of capital assets	225,000	225,000	244,228	19,228
Net other financing sources (uses)	225,000	225,000	244,228	19,228
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	(1,536,596)	(162,793)	260,179	422,972
Fund balances, beginning of year	10,953,058	10,953,058	10,953,058	-
Fund balances, end of year	\$ 9,416,462	\$ 10,790,265	11,213,237	\$ 422,972
Reconciliation of budgetary to GAAP basis				
Current year encumbrances			136,773	
Prior year encumbrances			(125,382)	
Fund balance on GAAP basis			<u>\$ 11,224,628</u>	

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Okeechobee, Florida

Required Pension Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios Last Six Fiscal Years

	Police Officers ¹					
	2019	2018*	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 254,066	\$ 258,622	\$ 235,345	\$ 264,445	\$ 247,353	\$ 251,499
Interest	607,391	580,995	573,285	543,946	506,147	479,146
Difference between actual & expected experience	(153,927)	(276,621)	(270,100)	126,875	(219,850)	(784)
Assumption changes	-	-	22,143	-	94,065	-
Benefit payments	(502,852)	(281,028)	(255,731)	(468,694)	(203,855)	(201,397)
Refunds	(12,836)	72,669	-	(25,003)	(321)	(26,953)
Net change in total pension liability	191,842	354,637	304,942	441,569	423,539	501,511
Total pension liability - beginning	8,859,560	8,504,923	8,199,981	7,758,412	7,334,873	6,833,362
Total pension liability - ending (a)	9,051,402	8,859,560	8,504,923	8,199,981	7,758,412	7,334,873
Plan Fiduciary Net Position						
Contributions - employer (from City)	130,886	151,492	169,789	147,312	192,581	200,210
Contributions - employer (from State)	90,153	81,690	78,659	73,960	70,807	67,639
Contributions - members	50,359	46,212	45,863	45,554	47,740	43,135
Net investment income	330,227	727,699	903,712	607,763	(95,964)	694,790
Benefit payments	(502,852)	(281,028)	(255,731)	(468,694)	(203,855)	(201,397)
Refunds	(12,836)	-	-	(25,003)	(321)	(26,953)
Administrative expense	(47,116)	(45,827)	(41,855)	(32,120)	(30,198)	(18,097)
Other	-	-	(3,284)	(6)	3,886	-
Net change in plan fiduciary net position	38,821	680,238	897,153	348,766	(15,324)	759,327
Plan fiduciary net position - beginning	9,617,497	8,937,259	8,040,106	7,691,340	7,706,664	6,947,337
Plan fiduciary net position - ending (b)	9,656,318	9,617,497	8,937,259	8,040,106	7,691,340	7,706,664
Net pension liability (asset) - Ending (a) - (b)	\$ (604,916)	\$ (757,937)	\$ (432,336)	\$ 159,875	\$ 67,072	\$ (371,791)
Plan fiduciary net position as a percentage of Total Pension Liability	106.68%	108.56%	105.08%	98.05%	99.14%	105.07%
Covered payroll**	\$ 1,007,180	\$ 924,250	\$ 917,260	\$ 970,646	\$ 911,189	\$ 862,700
Net pension liability as a percentage of covered payroll	-60.06%	-82.01%	-47.13%	16.47%	7.36%	-43.10%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complied, the City presents information for those years for which information is available.

* -The net pension liability recognized by the City in the current year financial statements represents the net position liability as of September 30, 2018, which is allowed by GASB 68.

** Covered payroll was calculated by dividing the total member contributions for the fiscal year, net of any known buyback contributions, by the member contribution rate of 5%.
Assumption changes:

- Effective 10/1/2016, the mortality rates were changed from the RP-2000 Combined Healthy Participant Mortality Tables, using projection scale AA to the mortality rates used by the Florida Retirement System (FRS) for Special Risk Class members. This change was made in compliance with Florida House Bill 1309, which requires all public pension plans in Florida to use the same mortality rates used in either of the last two actuarial valuation reports of FRS effective no later than 10/1/2016.

- Use of Insurance Tax Premium Revenue (IPTR) received by the State is subject to the default rules of Senate Bill 172 (codified in Chapter 2015-39) beginning with the IPTR received for the 2015 calendar year.

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Okeechobee, Florida Required Pension Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios Last Six Fiscal Years

	Firefighters ¹					
	2019	2018*	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 145,856	\$ 136,825	\$ 156,989	\$ 156,107	\$ 144,773	\$ 130,539
Interest	271,341	257,407	255,218	235,684	213,154	196,106
Difference between actual & expected experience	(132,896)	(162,443)	(91,659)	56,393	(19,771)	(741)
Assumption changes	-	-	(13,449)	-	49,797	-
Benefit payments	(141,381)	(107,105)	(106,572)	(102,590)	(96,939)	(142,060)
Refund	(9,052)	(16,027)	(20,437)	-	-	-
Other	-	19,828	-	3,256	-	-
Net change in total pension liability	133,868	128,485	180,090	348,850	291,014	183,844
Total pension liability - beginning	3,939,558	3,811,073	3,630,983	3,282,133	2,991,119	2,807,275
Total pension liability - ending (a)	4,073,426	3,939,558	3,811,073	3,630,983	3,282,133	2,991,119
Plan Fiduciary Net Position						
Contributions - employer (from City)	83,988	115,253	107,123	97,709	92,863	82,058
Contributions - employer (from State)	52,810	52,793	50,589	49,889	52,662	53,235
Contributions - members	23,945	23,446	25,409	27,433	26,324	23,854
Net investment income	140,894	308,920	404,267	246,381	(44,021)	318,708
Benefit payments	(141,381)	(107,105)	(106,572)	(102,590)	(96,939)	(142,060)
Refunds	(9,052)	(16,027)	(20,437)	-	-	-
Administrative expense	(43,675)	(59,878)	(34,933)	(31,639)	(27,132)	(16,233)
Other	-	-	(6,375)	(1,766)	-	-
Net change in plan fiduciary net position	107,529	317,402	419,071	285,417	3,757	319,562
Plan fiduciary net position - beginning	4,279,305	3,961,903	3,542,832	3,257,415	3,253,658	2,934,096
Plan fiduciary net position - ending (b)	4,386,834	4,279,305	3,961,903	3,542,832	3,257,415	3,253,658
Net pension liability (asset) - Ending (a) - (b)	\$ (313,408)	\$ (339,747)	\$ (150,830)	\$ 88,151	\$ 24,718	\$ (262,539)
Plan fiduciary net position as a percentage						
of Total Pension Liability	107.69%	108.62%	103.96%	97.57%	99.25%	108.78%
Covered payroll**	478,900	\$ 468,920	\$ 508,180	\$ 563,285	\$ 523,119	\$ 477,080
Net pension liability as a percentage						
of covered payroll	-65.44%	-72.45%	-29.68%	15.65%	4.73%	-55.03%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complied, the City presents information for those years for which information is available.

* -The net pension liability recognized by the City in the current year financial statements represents the net position liability as of September 30, 2018, which is allowed by GASB 68.

** Covered payroll was calculated by dividing the total member contributions for the fiscal year, net of any known buyback contributions, by the member contribution rate of 5%.

Assumption changes:

- Effective 10/1/2016, the mortality rates were changed from the RP-2000 Combined Healthy Participant Mortality Tables, using projection scale AA to the mortality rates used by the Florida Retirement System (FRS) for Special Risk Class members. This change was made in compliance with Florida House Bill 1309, which requires all public pension plans in Florida to use the same mortality rates used in either of the last two actuarial valuation reports of FRS effective no later than 10/1/2016.
- Use of Insurance Tax Premium Revenue (IPTR) received by the State is subject to the default rules of Senate Bill 172 (codified in Chapter 2015-39) beginning with the IPTR received for the 2015 calendar year.

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Okeechobee, Florida
Required Pension Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios
Last Four Fiscal Years

	General Employees'			
	2019	2018*	2017	2016
Total Pension Liability				
Service cost	\$ 152,255	\$ 154,529	\$ 136,373	\$ 421,387
Interest	295,453	284,633	91,058	763,785
Difference between actual & expected experience	(141,938)	20,956	-	(524,849)
Assumption changes	-	-	133,790	-
Benefit payments	(259,463)	(164,189)	(336,740)	(331,215)
Refunds	(346)	(16,592)	(17,378)	(18,267)
Other ***	-	-	2,641,019	-
Net change in total pension liability	45,961	279,337	2,648,122	310,841
Total pension liability - beginning	4,337,157	4,057,820	1,409,698	11,400,112
Transfer of pension liability for Okeechobee Utility Authority *****	-	-	-	(10,301,255)
Total pension liability - ending (a)	4,383,118	4,337,157	4,057,820	1,409,698
Plan Fiduciary Net Position				
Contributions - employer	115,324	75,793	94,009	446,184
Contributions - members	66,020	60,312	56,405	183,145
Net investment income	155,830	394,042	477,649	825,935
Benefit payments	(259,463)	(164,189)	(336,740)	(331,215)
Refunds	(346)	(16,592)	(17,378)	(18,267)
Administrative expense	(53,249)	(46,328)	(48,490)	(57,186)
Other*****	-	-	3,117,018	(2,208)
Net change in plan fiduciary net position	24,116	303,038	3,342,473	1,046,388
Plan fiduciary net position - beginning	5,003,981	4,700,943	1,358,470	10,238,992
Transfer plan fiduciary net position to Okeechobee Utility Authority*****	-	-	-	(9,926,910)
Plan fiduciary net position - ending (b)	5,028,097	5,003,981	4,700,943	1,358,470
Net pension liability (asset) - Ending (a) - (b)	\$ (644,979)	\$ (666,824)	\$ (643,123)	\$ 51,228
Plan fiduciary net position as a percentage of Total Pension Liability	114.72%	115.37%	115.85%	96.37%
Covered payroll**	\$ 1,100,333	\$ 1,005,204	\$ 940,083	\$ 911,233
Net pension liability as a percentage of covered payroll	-58.62%	-66.34%	-68.41%	5.62%

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Okeechobee, Florida Required Pension Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios Last Four Fiscal Years

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complied, the City presents information for those years for which information is available.

* The net pension liability recognized by the City in the current year financial statements represents the net position liability as of September 30, 2018, which is allowed by GASB 68.

** Covered Payroll was calculated by dividing the total member contributions for the fiscal year by the member contribution rate of 6%.

*** The Total Pension Liability, the Plan Fiduciary Net Position, and the Net Pension Liability as of September 30, 2015 were allocated based on the portion of the Employer's Total Required Contribution (from October 1, 2015 Actuarial Valuation dated April 25, 2016). The October 1, 2015 Valuation determined the required employer contribution for the plan year end September 30, 2017.

**** Due to the change in nature of the Plan, from a cost sharing to a single employer plan (effective October 1, 2016). Also reflects \$59,910 post-valuation adjustment to match audited financial statements.

***** Due to the change in nature of the Plan, from a cost sharing to a single employer plan (effective October 1, 2016).

Assumption changes:

- Effective 10/1/2016, the mortality rates were changed from the RP-2000 Combined Healthy Participant Mortality Tables, using projection scale AA to the mortality rates used by the Florida Retirement System (FRS) for Special Risk Class members. This change was made in compliance with Florida House Bill 1309, which requires all public pension plans in Florida to use the same mortality rates used in either of the last two actuarial valuation reports of FRS effective no later than 10/1/2016.

- Effective 10/1/2016, OUA employees are covered under a separately established Plan, the Okeechobee Utility Authority Employees' Retirement System, and are no longer covered under the City of Okeechobee General Employees' Retirement System.

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Okeechobee, Florida Required Pension Supplementary Information

Police Officers						
	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contributions	\$ 204,611	\$ 212,571	\$ 251,591	\$ 219,093	\$ 263,240	\$ 267,849
Contributions in relation to the actuarially determined contributions	221,039	233,182	248,448	221,272	263,388	267,849
Contribution deficiency (excess)	\$ (16,428)	\$ (20,611)	\$ 3,143	\$ (2,179)	\$ (148)	\$ -
Covered payroll*	\$ 1,007,180	\$ 924,250	\$ 917,260	\$ 970,646	\$ 911,189	\$ 862,700
Contributions as a percentage of covered payroll	21.95%	25.23%	27.09%	22.80%	28.91%	31.05%
Firefighters						
	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contributions	\$ 139,143	\$ 167,871	\$ 170,269	\$ 143,632	\$ 138,914	\$ 122,212
Contributions in relation to the actuarially determined contributions	136,798	168,046	157,712	147,598	145,525	135,293
Contribution deficiency (excess)	\$ 2,345	\$ (175)	\$ 12,557	\$ (3,966)	\$ (6,611)	\$ (13,081)
Covered payroll*	\$ 478,900	\$ 468,920	\$ 508,180	\$ 563,285	\$ 523,119	\$ 477,080
Contributions as a percentage of covered payroll	28.57%	35.84%	31.03%	26.20%	27.82%	28.36%
General Employees						
	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contributions	\$ 114,875	\$ 75,793	\$ 42,774	\$ 49,115	\$ 379,111	\$ 379,099
Contributions in relation to the actuarially determined contributions	115,324	75,793	94,009	110,448	379,111	379,099
Contribution deficiency (excess)	\$ (449)	\$ -	\$ (51,235)	\$ (61,333)	\$ -	\$ -
Covered payroll	\$ 1,100,333	\$ 1,005,204	\$ 940,083	\$ 911,233	\$ 3,135,961	\$ 2,945,717
Contributions as a percentage of covered payroll	10.48%	7.54%	10.00%	12.12%	12.09%	12.87%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City presents information for those years for which information is available.

* Based on payroll provided for actuarial valuations; Covered payroll was calculated by dividing the total member contributions for the fiscal year, net of any known buyback contributions, by the member contribution rate of 5%.

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Okeechobee, Florida

Required Pension Supplementary Information

Schedule of Investment Returns Last Six Fiscal Years

Police Officers'						
	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Annual money-weighted rate of return net of investment expense	3.10%	8.73%	10.68%	7.59%	-1.65%	9.96%
Fire Fighters'						
	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Annual money-weighted rate of return net of investment expense	2.39%	6.11%	10.76%	6.83%	-2.19%	10.43%
General Employees'						
	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Annual money-weighted rate of return net of investment expense	2.23%	7.55%	9.78%	7.78%	-1.38%	10.60%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complied, the City presents information for those years for which information is available.

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Okeechobee, Florida
Schedule of Changes in Total OPEB Liability and Related Ratios

Year Ending September 30,	2019	2018
Total OPEB liability		
Service cost	\$ 12,580	\$ 13,441
Interest	5,640	4,977
Changes of assumptions or other inputs	(4,290)	(3,808)
Benefit payments	(9,081)	(17,198)
Net change in total OPEB liability	4,849	(2,588)
Total OPEB liability - beginning	153,110	155,698
Total OPEB liability - ending	\$ 157,959	\$ 153,110

Covered employee payroll	\$ 2,984,722	\$ 2,809,503
Total OPEB liability as a percentage of covered employee payroll	5.29%	5.45%

* GASB 75 requires an employer to disclose a 10-year history.
full 10-year trend is compiled, information will be presented only
years which information is available.

* The following discount rate was used in each period:
9/30/2017 - 3.50%
9/30/2018 - 3.50%
9/30/2019 - 3.83%

City of Okeechobee, Florida
Notes to Required Supplementary Information

A. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year-end.

The City Administrator may make transfers of appropriations within a department as long as the total budget of the department is not increased. Transfers of appropriations between departments require the approval of the council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The council made certain supplemental budgetary appropriations during the year.

Encumbrances accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as restricted or assigned fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

City of Okeechobee, Florida
Notes to Required Supplementary Information

B. ADDITIONAL ACTUARIAL INFORMATION

Valuation Date: 10/01/2019

Notes: Actuarially determined contribution rates are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contributions Rates:

	Police Officers' Pension Plan	Firefighters' Pension Plan	General Pension Plan
Actuarial Cost Method:	Aggregate	Aggregate	Aggregate
Amortization Method:	N/A	N/A	N/A
Remaining Amortization Period:	N/A	N/A	N/A
Asset Valuation Method:	4-year smoothed market	4-year smoothed market	4-year smoothed market
Salary Increases:	6.00%	7.00%	6.00%
Inflation:	2.50%	2.50%	2.50%
Investment Rate of Return:	7.00%	7.00%	7.00%
Retirement Age:	100% when first eligible for Normal Retirement or DROP entry	100% when first eligible for Normal Retirement or DROP entry.	100% when first eligible for Normal Retirement or DROP entry
Mortality:	For healthy participants during employment, RP-2000 Combined Healthy Participant Mortality Tables, with 90% Blue Collar Adjustment/10% White Collar Adjustment for males and 100% White Collar Adjustment for females. Fully generational mortality improvements projected to each future decrement date with Scale BB.	For healthy participants during employment, RP-2000 Combined Healthy Participant Mortality Tables, with 90% Blue Collar Adjustment/10% White Collar Adjustment for males and 100% White Collar Adjustment for females. Fully generational mortality improvements projected to each future decrement date with Scale BB.	For healthy participants during employment, RP 2000 Combined Healthy Participant Mortality Table, with 50% White Collar/50% Blue Collar Adjustment for male and 100% White Collar for female. Fully generational mortality improvements projected to each future decrement date with Scale BB.

City of Okeechobee, Florida
Notes to Required Supplementary Information

	Police Officers' Pension Plan	Firefighters' Pension Plan	General Pension Plan
Mortality (Continued):	For disabled male participants, RP-2000 Disabled Male Mortality Table setback four years, without projected mortality improvements. For disabled female participants, RP-2000 Disabled Female Mortality Table, setforward two years, without projected mortality improvements.	For disabled male participants, RP-2000 Disabled Male Mortality Table setback four years, without projected mortality improvements. For disabled female participants, RP-2000 Disabled Female Mortality Table, setforward two years, without projected mortality improvements.	For disabled male participants, RP-2000 Disabled Male Mortality Table setback four years, without projected mortality improvements. For disabled female participants, RP-2000 Disabled Female Mortality Table, setforward two years, without projected mortality improvements.

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

The Honorable Mayor and Members of the City Council
of the City of Okeechobee, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Okeechobee, Florida, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Okeechobee, Florida's basic financial statements, and have issued our report thereon dated May 22, 2020. Other auditors audited the financial statements of the City of Okeechobee, Florida Municipal Police Officers' Pension Trust Fund and City of Okeechobee, Florida Municipal Firefighters' Pension Trust Fund and the City of Okeechobee Employees' Retirement System, as described in our report on the City of Okeechobee, Florida's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
May 22, 2020

INDEPENDENT AUDITORS' MANAGEMENT LETTER

The Honorable Mayor and Members of the City Council
of the City of Okeechobee, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Okeechobee, Florida as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated May 22, 2020.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' 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 Florida Auditor General. Disclosures in those reports, which are dated May 22, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective action has been taken to fully address the finding and recommendation made in the preceding annual financial audit report, as noted below:

IC 2018-01 CAPITAL ASSET DISPOSAL APPROVALS – Cleared

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority of the City of Okeechobee, Florida and its component units are disclosed in the footnotes.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City of Okeechobee, Florida 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 of Okeechobee, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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 of Okeechobee, Florida. It is management's responsibility to monitor the City of Okeechobee, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

Additional Matters

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

Purpose of this Letter

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

Cam Riggs & Ingram, L.L.C.

Melbourne, Florida
May 22, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

The Honorable Mayor and Members of the City Council
Of the City of Okeechobee, Florida

We have examined the City of Okeechobee, Florida's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management of the City of Okeechobee, Florida is responsible for the City of Okeechobee, Florida's compliance with the specified requirements. Our responsibility is to express an opinion on the City of Okeechobee, Florida's compliance with the specified requirements 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 of Okeechobee, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City of Okeechobee, Florida complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the City of Okeechobee, Florida complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2019.

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

Carr, Riggs & Ingram, LLC

Melbourne, Florida
May 22, 2020



CITY OF OKEECHOBEE
55 SE THIRD AVENUE
OKEECHOBEE, FL 34974
Phone: (863)763-3372
www.cityofokeechobee.com

Okeechobee City Council
Mayor Dowling R. Watford, Jr.
Wes Abney
Monica Clark
Bob Jarriel
Bobby Keefe

MEMORANDUM

May 22, 2020

To: City Council
From: John Fumero, City Attorney

Subject: Proposed ordinance revising hours of sale of alcoholic beverages

The City historically prohibited retail package sale of alcohol on Sundays and recently amended its ordinance to allow alcohol sales except package sales beginning at 10:00 a.m. on Sunday. As discussed by City Council, this proposed ordinance goes a step further to allow sale of alcoholic beverages from 7 AM – 2 AM daily.

ORDINANCE NO. 1211

AN ORDINANCE OF THE CITY OF OKEECHOBEE, FLORIDA; AMENDING SECTION 6-1 OF CHAPTER 6 OF THE CODE OF ORDINANCES TO PROVIDE FOR THE SALE OF ALCOHOL INCLUDING PACKAGE SALES WITHIN THE CITY AT CERTAIN TIMES EVERY DAY; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Okeechobee, Florida, has a legitimate interest to govern the sales of alcoholic beverages within the City; and

WHEREAS, the City has historically prohibited retail package sales of alcohol on Sundays; and

WHEREAS, the Okeechobee Board of County Commissioners recently amended its ordinance to allow alcohol sales excluding package sales beginning at 10:00 a.m. on Sunday; and

WHEREAS, it is appropriate to fashion an ordinance that prohibits the sale of alcohol at the same prescribed times every day of the week.

NOW THEREFORE, be it ordained by the City Council of the City of Okeechobee, Florida; presented at a duly advertised public meeting; passed by majority vote of the City Council; and properly executed by the Mayor or designee, as Chief Presiding Officer for the City:

SECTION 1: That Chapter 6, Alcoholic Beverages, Code of Ordinances for the City of Okeechobee Florida, is hereby amended to the following extent:

Sec. 6-1. - Hours; ~~Sunday sales; holiday sales.~~

(a) *Hours for sale of all alcoholic beverages.* Except as otherwise provided in this section, it shall be unlawful for any person or entity holding an alcoholic beverage license issued by the State of Florida to serve or sell, or cause to be sold or consumed, or to permit the sale or consumption of any alcoholic beverage between the hours of 2:00 a.m. and 7:00 a.m. daily, ~~Monday through Saturday.~~

~~(b) *Sale of alcohol limited on Sunday.* Except as otherwise provided in this section, it shall be unlawful for any person or entity holding an alcoholic beverage license issued by the State of Florida to serve, sell, or permit to be served or sold or consumed in or on their premises, all alcoholic beverages between the hours of 2:00 a.m. Sunday, and 1:00 p.m. Sunday. All alcoholic beverages may be sold, served, or consumed on Sundays from 1:00 p.m. to midnight, excluding package sales of liquors.~~

~~(e)~~ (b) *Authority of police department.* The chief of police, or his officers, may enter upon and into any establishment holding an alcoholic beverage license issued by the State of Florida for inspection purposes, or other such purpose as permitted by general law, during such business hours, or at such time as the license holder, his agent or employee, or such other persons who may be within the premises, to determine compliance with this section. If it reasonably appears to the officer that alcohol is being served, consumed or sold, past the time permitted in this section, the chief of police, or his officers, are authorized to immediately order the establishment to be closed. This failure to comply with this section may also subject the license holder, the owner of the business, or a tenant leasing from a license holder to any additional penalties as may be imposed by F.S. ch. 162, or this Code.

~~(d)~~ (c) *Permit suspension.*

SECTION 2: CONFLICT. That all Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION 3: SEVERABILITY. That if any clause, section or other part of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby, but shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Ordinance shall take effect immediately upon its passage.

INTRODUCED for the First Reading and set for Final Public Hearing on this 2nd day of June, 2020.

ATTEST: _____
Dowling R. Watford, Jr., Mayor

Lane Gamiotea, CMC, City Clerk

PASSED AND ADOPTED after Second and Final Public Hearing this 7th day of July, 2020.

Dowling R. Watford, Jr., Mayor

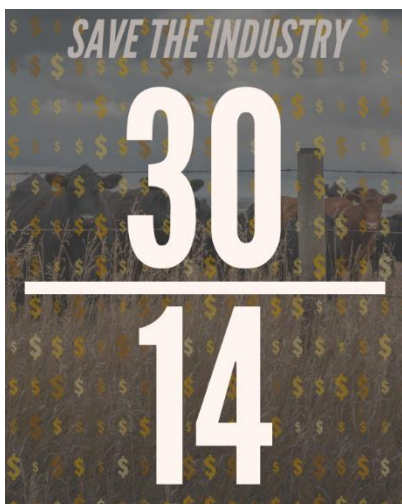
ATTEST:

Lane Gamiotea, CMC, City Clerk

REVIEWED FOR LEGAL SUFFICIENCY:

John J. Fumero, City Attorney

[View this email in your browser](#)



MEMBER ALERT:

USCA is leading the effort to designate a minimum percentage of negotiated cash cattle purchases by each of the major meatpacking plants that are required to report to USDA AMS under the Livestock Mandatory Reporting program.

What does this mean?

Our proposal would require a minimum of 30 percent of each packer processing plant's weekly volume of beef slaughter to come as a result of purchases made on the open market or spot market, defined as those purchases which fall under Negotiated Purchase Beef cattle purchased on the open or spot market, under the required minimum, would be delivered to the packer not more than 14 days after the date on which the livestock are sold to the packer.

How does it help?

Fewer and fewer cattle are sold on a negotiated cash basis, which reduces the ability for true price discovery in the cattle marketplace. Negotiated cash cattle make up less than 20 percent of the market yet set the price for the other 80

percent of cattle sold through formula contracts and or cattle futures market.

What happens next?

USCA is requesting this change through the reauthorization of the Livestock Mandatory Reporting program, which is set to expire on September 30, 2020. We are asking U.S. cattle producers to consider [signing on to our letter](#) in support of this change.

As of the sending of this Member Alert, 2,626 producers have signed on in support of our ask!

[Learn More & Sign the Letter!](#)

CORBITT WALL SHARES MORE ON THE EFFORT:



Minimum Negotiated Purchase Sign-On Letter

In light of the upcoming Livestock Mandatory Price Reporting reauthorization legislation, the USCA Marketing & Competition Committee proposes these changes to the program to increase transparency and true price discovery in the cattle marketplace. Please review the below sign-on letter and indicate your organization's or company's willingness to support this effort by completing the form below. We appreciate your consideration.

May XX, 2020

Chairman Pat Roberts Chairman Collin Peterson
Committee on Agriculture, Nutrition & Forestry Committee on Agriculture
U.S. Senate U.S. House of Representatives

Ranking Member Debbie Stabenow Ranking Member Mike Conaway
Committee on Agriculture, Nutrition & Forestry Committee on Agriculture
U.S. Senate U.S. House of Representatives

Dear Chairmen Roberts and Peterson and Ranking Members Stabenow and Conaway;

Over 80 percent of cattle in feedlots in the U.S. are slaughtered by four large meatpacking companies: Tyson Foods, JBS, Cargill and National Beef. Because these companies control a large percent of slaughter and processing capacity in the U.S., they have the unique ability to unduly influence the price of live cattle through the employment of tactics like bottlenecking processing speeds, importing chilled foreign meat to decrease demand for domestic supply, collaborating on pricing mechanisms, utilizing private forward-formula contracts, and piling up meat in cold storage to delay the need to purchase live cattle.

Fewer and fewer cattle are sold on a negotiated cash basis, which reduces the ability for true price discovery in the cattle marketplace. Negotiated cash cattle make up less than 20 percent of the market yet set the price for the other 80 percent of cattle sold through formula contracts and or cattle futures market.

With the reauthorization of the Livestock Mandatory Reporting Program (LMR) on the horizon, the below signatories present the following changes to be made to the current economic activities within the beef industry:

- Require minimum 30 percent of each packer processing plant's weekly volume of

beef slaughter to come as a result of purchases made on the open market or spot market, defined as those purchases which fall under Negotiated Purchase (Forward Contracts and Formula Marketing Agreement are not considered Negotiated Sales).

- The minimum would be mandated for all beef packing plants meeting the definition of a "packer" in the LMR Act, i.e. slaughter 125,000 head or more per year.
- Beef cattle purchased on the open or spot market, under the required minimum, are to be delivered to the packer not more than 14 days after the date on which the livestock are sold to the packer.
- Furthermore, no packer can discriminate against a seller for choosing to sell his cattle to negotiated cash sale purchases from that of other sales transactions.

With these changes in place, the Mandatory Livestock Reporting system could then be used to provide accurate and transparent reports of daily prices and number of cattle purchased via cash market, providing greater market opportunity and price discovery for independent cattle producers.

The undersigned organizations look forward to continued dialogue on this issue as we approach the program's September 30, 2020 expiration date.

Sincerely,

XXX

* Required

Email address *

Your email

Organization or Company Name (exactly how it should appear on the letter): *

Your answer

State *

Your answer

Your Name: *

Your answer

Your Email: *

Your answer

Submit

Never submit passwords through Google Forms.

2020-2021 AGREEMENT BETWEEN
THE OKEECHOBEE CHRISTIAN ACADEMY INC.
OKEECHOBEE COUNTY, FLORIDA
AND
THE CITY OF OKEECHOBEE FLORIDA AND POLICE DEPARTMENT
FOR
THE SCHOOL RESOURCE OFFICER PROGRAM (SRO)

THIS AGREEMENT, made and entered into this _____ day of JUNE 2020, by and between THE OKEECHOBEE CHRISTIAN ACADEMY INC., 701 S. Parrott Avenue, OKEECHOBEE COUNTY, FLORIDA, (hereinafter referred to as the (OCA), and THE CITY OF OKEECHOBEE, FLORIDA, 55 SE 3rd Avenue, Okeechobee, Florida, (hereinafter referred to as the CITY);

WITNESSETH:

A. The OCA, the CITY and the Police Chief desire to provide law enforcement, and law-related educational service programs to OCA, as defined in F.S. 1006.12. While it is recognized that OCA is a private Christian school and not subject to the provisions of this statute and the SRO program, as hereafter set forth, the parties have agreed to enter into this Agreement to provide SRO services at OCA, by mirroring the existing SRO program, and the provisions of F.S. 1006.12.

B. A SRO Program has been established for the school system of Okeechobee County, Florida by agreement between the School Board and local law enforcement agencies, as hereinafter described; and

C. The OCA and the CITY recognize the potential outstanding benefits of the SRO Program, and particularly to the students of OCA, in the same manner as students attending public school.

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained, the OCA, the CITY and Police Chief do hereby agree as follows:

ARTICLE I: TERM

The City Council for the CITY, on June XX, 2020, approved the establishment of a SRO position at OCA. This Agreement is for a one (1) year term commencing on July 1, 2020 to June 30, 2021, which may be extended or modified by mutual agreement of the parties.

ARTICLE II: RRESPONSIBILITIES OF THE POLICE CHIEF OR HIS DESIGNEE

The Police Chief or his designee shall provide the School Resource Officer as follows:

The existing SRO Program in and for public schools is being administered by the Okeechobee City Police Department and the Office of Sheriff, Okeechobee County, via a mutual aid agreement, which shares certain law enforcement duties and activities, as well as the SRO program. Through his Agreement, the CITY shall continue to administer the SRO program in substantial conformance with the SRO program established in public school system, appoint a certified law enforcement officer to so act, and work with OCA in a substantially similar manner as the interactions of the SRO in the public school system.

ARTICLE III: FINANCING OF THE SCHOOL RESOURCE OFFICER PROGRAM

A. Pursuant to the agreement, the amount funded will be negotiated each year prior to July 1st. It is understood that this agreement is subject to corresponding by OCA. Failure of OCA to fully fund the SRO program shall constitute the basis for amendment or termination of this Agreement.

B. The SRO program at OCA will be fully funded by OCA, with the initial start-up and costs to be paid by OCA as set forth in the cost estimates attached to this Agreement. Payment to the City shall be made on a quarterly basis commencing on July 1, 2021.

C. Should there exist a local or state mandated school closure, due to a formally declared state or local emergency, which would cause 30 or more consecutive days of school closure, the quarterly payment due to the CITY may be proportionately reduced based on the number of days of school closure in any given quarter. On an annual basis, the cumulative reductions may not exceed the sum of \$20,000.

ARTICLE IV: EMPLOYMENT STATUS OF SCHOOL RESOURCE OFFICER

School Resource Officers shall remain and be employees of the CITY POLICE DEPARTMENT and shall not be employees of the OCA. OCA hereby acknowledges that the SRO shall act and respond in strict accordance with the chain of command of the CITY POLICE DEPARTMENT, subject however to any written policies jointly reviewed and agreed upon by the OCA and Police Chief.

ARTICLE V: INSURANCE

OCA shall at its sole cost and expense, procure and maintain throughout the term of this agreement, comprehensive general liability insurance policy, excluding workman's compensation, in a minimum sum of not less than three million dollars combined single limits, or to the extent and in such amounts as required and authorized

by Florida law, and will provide endorsed certificates of such insurance generated and executed by a licensed insurance agent or broker and, naming the CITY, its officers agents and employees as additional insureds under the policy, as well as furnishing the City a certified copy of said insurance policies. Certificates of insurance and a certified copy of these insurance policies must accompany this signed contract.

Required insurance provided by OCA shall be considered as primary insurance over and above any other insurance or self-insurance available to the CITY, and that any other insurance or self-insurance available to the City shall be considered secondary to, or in excess of, the insurance coverage provided by OCA as required herein.

If the policy is cancelled or not renewed OCA shall provide the CITY thirty (30) days advance notice. Nothing herein shall be construed as a waiver of sovereign immunity under 768.28, Florida Statutes, as may be amended from time to time.

ARTICLE VI: INDEMNITY

OCA shall defend, indemnify and hold harmless the CITY, and all CITY officers, agents and employees from, and against, all claims, liability and expense, including but not limited to reasonable costs, collection expenses, attorney's fees, and court costs, which may arise because of negligence, whether active or passive, misconduct or other fault, in whole or in part, whether joint, concurrent or contributing of OCA, its officers, agents or employees in the performance or non-performance of its obligations under this agreement. OCA recognizes the broad nature of this indemnification and hold harmless clause, as well as the provision of a legal defense to the CITY when necessary, and voluntarily makes this consent and expressly acknowledges the receipt of such good and valuable consideration provided by the CITY in support of this indemnification, legal defense, and hold harmless contractual obligation in accordance with the laws of the State of Florida.

This clause shall survive the termination of this Agreement. Compliance with any insurance regulation required elsewhere in this agreement shall not relieve OCA of its obligation to defend, hold harmless, and indemnify the CITY as set forth in this article of the agreement.

ARTICLE VII: TERMINATION OF AGREEMENT

This Agreement may be considered for renewal by the City Council, on an annual basis, upon notice to the City by May 1st of each year of OCA's intent to renew.

IN WITNESS WHEREOF, THE PARTIES HAVE CAUSED THIS Agreement to be signed by their duly authorized office.

AS TO THE CITY:

ATTEST:

Dowling R. Watford, Jr., Mayor

Date: _____

Lane Gamiotea, CMC, City Clerk

REVIEWED FOR LEGAL SUFFICIENCY:

John J. Fumero, City Attorney

AS TO THE OCA:

Name and Title

Date: _____

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION
PURCHASE AGREEMENT

575-030-07a
RIGHT OF WAY
OGC – 10/16
Page 1 of 4

ITEM SEGMENT NO.: 4193443
DISTRICT: 1
FEDERAL PROJECT NO.: N/A
STATE ROAD NO.: 710
COUNTY: Okeechobee
PARCEL NO.: 125

Seller: City of Okeechobee

Buyer: State of Florida, Department of Transportation

Buyer and Seller hereby agree that Seller shall sell and Buyer shall buy the following described property pursuant to the following terms and conditions:

I. Description of Property:

(a) **Estate Being Purchased:** ☒ Fee Simple ☐ Permanent Easement ☐ Temporary Easement ☐ Leasehold

(b) **Real Property Described As:** See Exhibit "A", attached hereto and made part hereof.

(c) **Personal Property:** None

(d) **Outdoor Advertising Structure(s) Permit Number(s):** None

Buildings, Structures, Fixtures and Other Improvements Owned By Others: None

These items are **NOT** included in this agreement. A separate offer is being, or has been, made for these items.

II. PURCHASE PRICE

(a) **Real Property**

Land	1. \$	<u>12,200.00</u>
Improvements	2. \$	<u>0.00</u>
Real Estate Damages (Severance/Cost-to-Cure)	3. \$	<u>0.00</u>

Total Real Property 4. \$ 12,200.00

(b) **Total Personal Property** 5. \$ 0.00

(c) **Fees and Costs**

Attorney Fees	6. \$	<u>0.00</u>
Appraiser Fees	7. \$	<u>0.00</u>
N/A		
N/A		
N/A Fee(s)	8. \$	<u>0.00</u>

Total Fees and Costs 9. \$ 0.00

(d) **Total Business Damages** 10. \$ 0.00

(e) **Total of Other Costs** 11. \$ 0.00

List: N/A
N/A

Total Purchase Price (Add Lines 4, 5, 9, 10 and 11) \$ 12,200.00

Total Global Settlement Amount

(f) Portion of Total Purchase Price or Global Settlement Amount to be paid to Seller by Buyer at Closing \$ 12,200.00

(g) Portion of Total Purchase Price or Global Settlement Amount to be paid to Seller by Buyer upon surrender of possession or N/A \$ 0.00

III. Conditions and Limitations

- (a) Seller is responsible for all taxes due on the property up to, but not including, the day of closing.
- (b) Seller is responsible for delivering marketable title to Buyer. Marketable title shall be determined according to applicable title standards adopted by the Florida Bar in accordance with Florida Law subject only to those exceptions that are acceptable to Buyer. Seller shall be liable for any encumbrances not disclosed in the public records or arising after closing as a result of actions of the Seller.
- (c) Seller shall maintain the property described in **Section I** of this agreement until the day of closing. The property shall be maintained in the same condition existing on the date of this agreement, except for reasonable wear and tear.
- (d) Any occupancy of the property described in **Section I** of this agreement by Seller extending beyond the day of closing must be pursuant to a lease from Buyer to Seller.
- (e) The property described in **Section I** of this agreement is being acquired by Buyer for transportation purposes under threat of condemnation pursuant to **Section 337.25 Florida Statutes**.
- (f) Pursuant to **Rule 14-10.004, Florida Administrative Code**, Seller shall deliver completed **Outdoor Advertising Permit Cancellation Form(s), Form Number 575-070-12**, executed by the outdoor advertising permit holder(s) for any outdoor advertising structure(s) described in **Section I** of this agreement and shall surrender, or account for, the outdoor advertising permit tag(s) at closing.
- (g) Seller agrees that the real property described in **Section I** of this agreement shall be conveyed to Buyer by conveyance instrument(s) acceptable to Buyer.
- (h) Seller and buyer agree that this agreement represents the full and final agreement for the herein described sale and purchase and no other agreements or representations, unless incorporated into this agreement, shall be binding on the parties.
- (i) Other: Buyer and Seller agree that all fees, costs or business damage claims associated with this settlement are included in the agreement. Closing is contingent upon the disposal or release of any interests, claims or potential claims related to purchase, whatsoever and from whomever, to the satisfaction of the Buyer.

IV. Closing Date

The closing will occur no later than 60 days after Final Agency Acceptance.

V. Typewritten or Handwritten Provisions

Any typewritten or handwritten provisions inserted into or attached to this agreement as addenda must be initialed by both Seller and Buyer.

- ☐ There is an addendum to this agreement. Page N/A is made a part of this agreement.
- ☒ There is not an addendum to this agreement.

VI. Seller and Buyer hereby acknowledge and agree that their signatures as Seller and Buyer below constitute their acceptance of this agreement as a binding real estate contract.

It is mutually acknowledged that this Purchase Agreement is subject to Final Agency Acceptance by Buyer pursuant to **Section 119.0711, Florida Statutes**. A closing shall not be conducted prior to 30 days from the date this agreement is signed by Seller and Buyer to allow public review of the transaction. Final Agency Acceptance shall not be withheld by Buyer absent evidence of fraud, coercion, or undue influence involving this agreement. Final Agency Acceptance shall be evidenced by the signature of Buyer in **Section VII** of this agreement.

Seller(s)

Signature Date

Type or Print Name

Signature Date

Type or Print Name

Buyer

State of Florida Department of Transportation

BY: _____
Signature Date

Gregory C. Bowne, District R/W Manager
Type or Print Name and Title

VII. FINAL AGENCY ACCEPTANCE

The Buyer has granted Final Agency Acceptance this _____ day of _____, _____.

BY: _____
Signature

Gregory C. Bowne, District R/W Manager
Type or Print Name and Title

Legal Review: _____
Date

Type or Print Name and Title

ADDITIONAL SIGNATURES

SELLER(S):

Signature Date

Type or Print Name

Signature Date

Type or Print Name

Signature Date

Type or Print Name

Signature Date

Type or Print Name

Signature Date

Type or Print Name

Signature Date

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Signature Date

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EXHIBIT "A"

FP NO. 4193443 SECTION 91060-000 STATE ROAD NO. 710 COUNTY Okeechobee

DESCRIPTION

PARCEL 125.1

RIGHT OF WAY

That portion of Parcel 15, Plat No. 2 of Taylor Creek Watershed lying in the northwest 1/4 of Section 15, Township 37 South, Range 35 East, as per plat thereof recorded in Plat Book 3, Page 26, Public Records of Okeechobee County, Florida.

Being described as follows:

Commence at the northwest corner of said Section 15; thence along the north line of said Section 15, North 89°22'48" East a distance of 797.37 feet to the survey base line of State Road 710 (Re-alignment) and to a point on the north existing Flowage Easement line (per Official Records Book 49, Page 219, Public Records of Okeechobee County, Florida); thence continue along said north line and said north existing Flowage Easement line North 89°22'48" East a distance of 16.83 feet for a POINT OF BEGINNING; thence continue along said north line and said north existing Flowage Easement line North 89°22'48" East a distance of 70.98 feet to the easterly existing Flowage Easement line; thence along said easterly existing Flowage Easement line South 31°32'51" West a distance of 50.76 feet to the beginning of a curve having a radius of 190.00 feet; thence continue along said easterly existing Flowage Easement line the arc of said curve to the left a distance of 20.22 feet through a central angle of 06°05'48" with chord bearing South 28°29'57" West to the end of said curve; thence South 57°50'01" West a distance of 89.90 feet to the beginning of a curve having a radius of 800.00 feet; thence along the arc of said curve to the right a distance of 12.29 feet through a central angle of 00°52'50" with a chord bearing South 58°16'26" West to the easterly line of Taylor Creek (per said plat) and the end of said curve; thence along said easterly line the following three (3) courses: 1) North 12°27'30" East a distance of 27.12 feet; 2) North 26°20'12" East a distance of 58.78 feet; 3) North 29°16'49" East a distance of 40.60 feet to end said courses and to the POINT OF BEGINNING.

Containing 6,089 square feet.

Legal Description Approved by:

Date:

2-19-19



June 2, 2020



CITY OF OKEECHOBEE
55 SE THIRD AVENUE
OKEECHOBEE, FL 34974

Phone: (863)763-3372
www.cityofokeechobee.com

Okeechobee City Council
Mayor Dowling R. Watford, Jr.
Wes Abney
Monica Clark
Bob Jarriel
Bobby Keefe

MEMORANDUM

May 27, 2020

To: City Council

From: Marcos Montes de Oca, P.E. City Administrator and
John Fumero, City Attorney

Subject: Proposed Fire Interlocal Agreement

This item is presented for further Council discussion concerning the proposed agreement from the County to provide fire service. The draft document incorporates direction from Council provided at its last meeting, includes language from the contract between the City of Hallandale and Broward County, and includes input from the City Administrator.

**INTERLOCAL AGREEMENT BETWEEN OKEECHOBEE COUNTY
AND THE CITY OF OKEECHOBEE FOR FIRE SERVICES**

THIS INTERLOCAL AGREEMENT (“Agreement”) is made and entered into by and between Okeechobee County, Florida, a political subdivision of the State of Florida, by and through its Board of County Commissioners (“COUNTY”) and the City of Okeechobee, Florida, a municipal corporation organized and existing under the laws of the State of Florida, by and through its City Council (“CITY”).

WITNESSETH

WHEREAS, the CITY has maintained a high level of professional fire services for the benefit of the citizenry thereof; and

WHEREAS, the CITY is desirous of maintaining a high level of professional fire services in conjunction ~~and harmony~~ with its continuing strategies ~~policies of on~~ sound budgeting and fiscal management ~~going forward~~; and

WHEREAS, the CITY is therefore desirous of contracting with the COUNTY for the COUNTY to provide fire services for the benefit of the CITY’s residents; and,

WHEREAS, the COUNTY has agreed to render to the CITY a reliable, high level of professional fire services upon the terms and conditions set forth herein; ~~and,-~~

WHEREAS, the COUNTY and the CITY recognize the importance of maintaining a high level of professional fire services consistent with reasonable performance criteria, along with establishing a strategic approach to development of an annual fire services budget.

NOW THEREFORE, in consideration of the mutual terms, conditions, promises, covenants and payments hereinafter set forth, and for other good and value consideration the receipt and adequacy of which is hereby acknowledged, the parties hereto mutually agree as follows:

Section 1. Recitals. The recitals set forth above are incorporated herein by reference and made a part of this Agreement.

Section 2. Services.

- A. *Primary Services.* The COUNTY hereby agrees to provide fire services, which include fire suppression, rescue operations, mass casualty incident response, major disaster response, and dispatch and communication services, plus all support services required to provide such services including, but not limited to, supervision, training, equipment maintenance, supplies and procurement. Additionally, the COUNTY hereby agrees to provide fire prevention services as it relates to pre-development planning, plan submittal review,

development and post occupancy fire inspections, and fire and building code administration, all of which is collectively referred to herein as “Fire Services” within the boundaries of the CITY as legally described in Exhibit A, which is attached hereto and made apart hereof by reference, and which area shall be automatically amended in the event of future annexation(s), subject to an equitable adjustment in expenses which are to be reflected in an amendment to this Agreement.

B. *Additional Services.* The COUNTY and CITY will also provide the following additional services:

- i. The COUNTY shall conduct inspections pursuant to the Florida Fire Prevention Code (“Fire Code”) and all applicable Florida Statutes and Administrative Codes within 10 calendar days of the date of request of inspection. The COUNTY shall assume authority and responsibility to enforce the Florida Fire Prevention Code. Such enforcement requires inspection of each new building subject to the Florida Fire Prevention Code and includes periodic inspections of each existing building subject to the Florida Fire Prevention Code.
- ii. Water providers. COUNTY shall coordinate with OUA and shall ensure water purveyors provide adequate fire flows and hydrants, as required, for fire protection and training purposes within the CITY. ~~The Without cost to the COUNTY, and the CITY shall coordinate and work with OUA to ensure that the CITY’s water purveyors provide~~ adequate fire flow and hydrants, as determined by the COUNTY, for fire protection and training purposes within the CITY.
- ~~iii. Fire Hydrant Inspections. The CITY and COUNTY shall work with OUA to ensure that OUA annually inspects all fire hydrants within the CITY ensuring proper clearance and that an appropriate hydrant street marker is installed. The CITY and COUNTY shall work with OUA to ensure that OUA installs replacement markers as needed. The CITY and COUNTY shall work with OUA to ensure that OUA flow tests and flushes fire hydrants within the CITY annually.~~
- iv-iii. Fee Schedule Adoption. The COUNTY adopts a published fee schedule setting forth the cost of various services provided by the COUNTY. The CITY agrees that the current fee schedule and any additional fee schedules adopted by the COUNTY pursuant to enforcement of the Fire Prevention Code shall be effective for Fire Services provided within the CITY upon the Commencement Date of Services. The current COUNTY adopted fee schedule is attached hereto as Exhibit B. The ~~CITY~~COUNTY shall remit to the ~~COUNTY~~CITY, no less than quarterly per each fiscal year, the amounts set forth in the attached Exhibit B for each applicable permit issued by the CITY. Said fee schedule may be updated from time to time by the COUNTY and shall be incorporated into this Agreement without further amendment to this Agreement upon written notification to the CITY.

Section 3. Budget. COUNTY shall submit a proposed budget to the CITY on May 15th. The budget shall have a summary of major classifications (Personnel Services, Operating Expenses,

Capital, Outlay, etc.). At the request of the CITY Manager, COUNTY shall provide supporting documentation for the budgeted line items to include, but not be limited to, the cost to outfit and equip Fire Employees (i.e. uniforms, fire safety gear, computer, etc.), and a breakdown of compensation and benefits budgeted by position. The CITY will not request supporting documentation more than twice a year.

Section 3. Effective Date and Term. This Interlocal Agreement and any subsequent amendment hereto shall be effective upon signing by both of the parties and recording with the Okeechobee County Clerk of the Circuit Court as provided by Section 163.01(11), Florida Statutes. The provision of Fire Services shall commence at 8:00 a.m. on January 1, 2021, (“Commencement Date of Services”) and end at 8:00 a.m. on January 1, 20242026, unless this Agreement is otherwise extended.

Section 4. CITY’s Base Payments for Services and Adjustments.

- A. In exchange for the COUNTY’s provision of the services set forth herein, and together with all of the CITY’s other obligations set forth herein, the CITY shall pay to COUNTY, no later than January 15th in the specified year, an amount not to exceed the assessed value of City properties as generated by the County’s existing fire rescue fee structure. ~~the following amounts for each of the specified years of the term of this Agreement (“Base Payments for Services”):~~

Year 1 (January 1, 2021 through December 31, 2021)	\$ 697,599.74
Year 2 (January 1, 2022 through December 31, 2022)	\$ 708,039.73
Year 3 (January 1, 2023 through December 31, 2023)	\$ 686,261.82

- ~~B. The parties recognize that the COUNTY’s existing collective bargaining agreement with the COUNTY firefighters bargaining unit (hereinafter “CBA”) will expire on September 30, 2021, and that the terms of a new CBA will be subject to negotiations between the COUNTY and the bargaining unit that may result in an increase in costs to the COUNTY. The parties further recognize that the COUNTY is contemplating the potential renegotiation of certain terms of the CBA prior to the CBA’s expiration that may result in an increase in costs to the COUNTY. Accordingly, the parties agree that the Base Payments for Services shall be subject to upward adjustment by the COUNTY in the amount of the total increase in costs to the COUNTY resulting from the renegotiation of CBA terms and conditions as compared to the existing CBA terms and conditions, multiplied by seven (7) and divided by the total number of funded positions in the bargaining unit. The parties agree that such total increase in costs may be attributable to, without limitation, increases in salary, incentive pay, health insurance, life insurance, vacation leave, sick leave, holidays, uniform costs, or any other benefit to the members to the bargaining unit or cost to the COUNTY. The COUNTY shall provide notice to the CITY of any upward adjustment of the Base Payments for Services pursuant to this subsection no later than the later of 30 days after the effective date of the new CBA or amendment to CBA, or 30 days after the new CBA or amendment to CBA is approved by both the COUNTY and the bargaining unit.~~

- ~~C. The parties recognize that the COUNTY may also be subject to other circumstances relating to fire service provision and outside the COUNTY's control that will increase the total cost to provide the services set forth herein. Accordingly, the parties agree that the Base Payments for Services shall be subject to upward adjustment by the COUNTY in the amount of the total increase in costs to the COUNTY resulting from increases in costs of resulting from changes in entitlement to or cost of disability or death benefits, legislation mandating new benefits or protections for fire personnel, and revisions to minimum requirements or industry best practices relating to protective gear, equipment, or protocols for fire personnel, multiplied by seven (7) and divided by the total number of funded positions in the bargaining unit. The COUNTY shall notify the CITY of any upward adjustment of the Base Payments for Services pursuant to this subsection.~~
- ~~D. The parties recognize that the COUNTY may also be subject to circumstances affecting the COUNTY as a whole and outside the COUNTY's control that will increase the total cost to provide the services set forth herein. Accordingly, the parties agree that the Base Payments for Services shall be subject to upward adjustment by the COUNTY in the amount of the total increase in costs to the COUNTY resulting from increases in costs of general liability insurance, property insurance, vehicle insurance, workers compensation insurance, health insurance, life insurance, any other insurance maintained by the COUNTY, and the Florida Retirement System, multiplied by seven (7) and divided by the total number of funded COUNTY employee positions. The COUNTY shall notify the CITY of any upward adjustment of the Base Payments for Services pursuant to this subsection.~~
- ~~E. The parties recognize that the COUNTY may also be subject to adjustments in the costs of administration that will increase the total cost to provide the services set forth herein. Accordingly, the parties agree that the Base Payments for Services shall be subject to upward adjustment by the COUNTY in the amount of the total increase in costs to the COUNTY resulting from increases in salaries, benefits, and other costs attributable to the administration of the COUNTY fire department, multiplied by seven (7) and divided by the total number of funded positions in the bargaining unit. The COUNTY shall notify the CITY of any upward adjustment of the Base Payments for Services pursuant to this subsection.~~

Section 5. Personnel. As of the Commencement Date of Services, the COUNTY ~~shall hire all the specified CITY personnel at the rank and classification set forth in Exhibit _____ intends to hire six (6) firefighter/ paramedics and one (1) fire inspector~~ as a result of additional work necessitated by the services contemplated in this Agreement. ~~There is no guarantee that any particular firefighter/ paramedic or fire inspector will be hired to fill the positions in the COUNTY. Existing employees of the CITY will be given local preference, to the extent it is otherwise applicable to a given individual, given treatment consistent with existing County employees and shall be eligible to join the local firefighters union in accordance with the COUNTY's existing collective bargaining agreement (hereinafter "CBA"); provided, however, no other preference will be given to former City employees unless otherwise provided by Federal, State, or County law or under the CBA. Persons to be hired to fill the positions with the COUNTY shall be hired in accordance with the COUNTY's existing standards and procedures, and no exceptions shall be granted from the~~

~~COUNTY's standards and requirements for newly hired personnel by virtue of this Agreement. CITY personnel who wish to apply for a position with the COUNTY's fire department should apply to the COUNTY no later than October 1, 2020. Attached as Exhibit C hereto is a description of the personnel hiring requirements for the COUNTY's fire department. All prerequisites for newly hired personnel, including, but not limited to pay, benefits, retirement, and seniority, shall be as prescribed in the then existing collective bargaining agreement (hereinafter "CBA") of the Okeechobee County Fire Department. [Once the rank is established, benefits for that rank would be as set forth in the CBA]~~

It is understood that CITY Fire personnel in a promotional probationary status with the CITY shall be required to complete the remainder of such promotional probation under the terms and conditions of the existing COUNTY Collective Bargaining Agreement.

It is understood that the CITY Fire personnel will carry over their respective sick and annual leave accrual balances up to the maximum of allowable hours per the Collective Bargaining Agreement (CBA). Upon commencing their employment with the COUNTY, the CITY Fire personnel shall accrue and utilize leave pursuant to the CBA and COUNTY policies and procedures.

Section 6. Standards and Responsibilities. COUNTY shall be responsible for setting employment standards (i.e., hiring, discipline, training) for Fire Employees consistent with the COUNTY agency standards. COUNTY is committed to providing the CITY with highly skilled emergency medical, fire protection and fire prevention personnel to provide Fire Rescue to the CITY.

CITY Fire Employees shall be and remain COUNTY employees, and such employees shall not be considered employees of the CITY for purposes of pension benefits, insurance benefits, civil service benefits, compensation and/or any status or right. Accordingly, COUNTY, not the CITY, shall be responsible for direct payment of any salaries, wages, or other compensation, contributions to pension funds, insurance premiums, worker's compensation, vacation or compensatory time, sick leave, benefits or any other amenities of employment to any Fire Employee whatsoever, arising out of COUNTY's employment of such Persons or arising prior to COUNTY's employment of the Employee if set forth herein. The CITY and COUNTY understand and acknowledge that all costs, including the employment related costs, are included in the consideration payable by the CITY to the COUNTY in accordance with this Agreement.

Section 7. Staffing Continuity. The CITY and COUNTY recognize the importance of combining the efforts and resources of the COUNTY, the CITY and community members in order to have a positive impact on the CITY, including creating a public awareness to the public safety related issues thus enhancing the quality of life throughout the CITY. It is further recognized that such collaborative effort requires fire and emergency rescue personnel that have intimate knowledge of the community. In furtherance of such objective, COUNTY shall make every reasonable effort to maintain the continuity of COUNTY emergency medical fire protection and fire prevention personnel assigned.

Section 6. Vehicles. On the Commencement Date of Services, the COUNTY shall purchase from the City~~CITY shall lease to the COUNTY, and the COUNTY shall lease from the CITY~~, one (1)

ladder truck (VIN _____), one (1) fire engine (VIN _____), ~~and one (1) staff truck (VIN _____)~~, together with all firefighting equipment and apparatus used in connection with the ~~leased vehicles. The purchase amount shall be \$1.00, and together with such vehicles replacements pursuant to this Agreement (hereinafter collectively “the Vehicles”)~~ upon the following terms and conditions:

- ~~i. The rental amount shall be \$1.00 per year, payable in one lump sum of \$3.00 on or before the Commencement Date of Services, the sufficiency and appropriateness of which is hereby acknowledged by both parties. The CITY shall retain title to the Vehicles during the term of this Agreement, and in the event of the termination or other end to this Agreement, such Vehicles (or such Vehicles’ replacements) shall be returned to the CITY.~~
- ~~— On or before the Commencement Date of Services, the CITY shall deliver to the COUNTY an Affidavit of No Liens and Encumbrances as to the Vehicles in such a form as is acceptable to the COUNTY. The CITY agrees to indemnify and hold harmless the COUNTY and pay any loss, claim, or demand for any liens or encumbrances on said Vehicles.~~
- ~~ii. During the term of this Agreement, the COUNTY shall perform routine maintenance on such Vehicles according to COUNTY standards. The COUNTY shall invoice the CITY for the costs and expenses of routine maintenance of such Vehicles on a quarterly basis, and the CITY shall pay such invoice within 30 days after receipt thereof.~~
- ~~ii. During the term of this Agreement, the COUNTY shall perform repairs and extraordinary maintenance on such Vehicles according to COUNTY standards. The COUNTY shall invoice the CITY for the costs and expenses of repairs and extraordinary maintenance of such Vehicles on a quarterly basis, and the CITY shall pay such invoice within 30 days after receipt thereof.~~
- ~~ii. During the term of this Agreement, the COUNTY shall obtain and pay for insurance for such Vehicles according to COUNTY standards. The COUNTY shall invoice the CITY for the costs and expenses of insurance for such Vehicles, and the CITY shall pay such invoice within 30 days after receipt thereof.~~
- ~~ii. During the term of this Agreement, the COUNTY shall replace the Vehicles in accordance with the COUNTY’s then existing standards and policies. The COUNTY shall invoice the CITY for the costs and expenses, including but not limited to purchase price, of such replacement of such Vehicles, and the CITY shall pay such invoice within 30 days after receipt thereof.~~

Section 7. Equipment and supplies.

- A. On the Commencement Date of Services, the CITY shall transfer, free and clear of all liens or encumbrances, all bunker gear (a/k/a turn-out gear) ~~and~~ air packs, and fire radio equipment owned by the CITY to the COUNTY.
- B. ~~Radio equipment owned by the CITY and used by its fire department shall be leased to the CITY as of the Commencement Date of Services at a rental amount of \$1.00 per year, payable in one lump sum of \$3.00 on or before the Commencement Date of Services, the sufficiency and appropriateness of which is hereby acknowledged by both parties. The COUNTY shall bill the CITY for the cost of replacement of such radio equipment as necessitated by a system change, and the CITY shall pay such bill within 30 days after receipt thereof.~~

Section 8. Replacement of Vehicles and Equipment. ~~In the event new fire apparatus, vehicles or equipment need to be purchased or existing fire apparatus, vehicles or equipment need to be repaired or replaced during the term of the Agreement, the COUNTY shall have the sole responsibility for and discretion regarding purchasing such fire apparatus, vehicles and equipment or making such repairs.~~

Section 9. CITY Payments toward Building Construction Costs; Interim Use of CITY's Apparatus Storage Bays.

- A. ~~The parties acknowledge and agree that the COUNTY will need to construct a new building to house the Vehicles, equipment, and personnel necessary to provide the services contemplated by this Agreement ("Building"). Beginning on January 15, 2022, and each subsequent January 15 thereafter during the term of this Agreement, and any extensions thereof (through and including January 15, 2031, if so extended), the CITY shall pay to the COUNTY a sum equal to ten percent of the total cost of construction of the Building. The COUNTY shall provide notice to the CITY by July 15, 2021 of the estimated total cost of construction of the Building for calculation of the January 15, 2021 payment. Upon final completion of construction of the Building, the COUNTY shall provide notice to the CITY of the final total cost of construction of the Building, for calculation of the January 15, 2022 payment and subsequent payments. The calculation of the January 15, 2022 payment shall also include a true-up of the amount of the January 15, 2021 payment to conform to the final total cost of construction of the Building.~~
- B. From the Commencement Date of Services through January 1, 2022, the CITY agrees to allow COUNTY to exclusively utilize and occupy, with 24 hour access thereto, the CITY's apparatus storage bays located at _____ to house the Vehicles and equipment necessary to provide the services contemplated by this Agreement.
No calls for service, must pay utilities, etc.

Section 10. Retirement Plan Liability. The CITY will retain all liability for any unfunded retirement plan liability for all former CITY employees. The City will also retain all liability for any vested retirement benefits of all former CITY employees, such as, but not limited to, health insurance maintenance payments. The COUNTY will not be responsible for and will not accept

any liability regarding any former CITY employees that arises from their former employment with the CITY.

Section 11. Service Performance Goal and Reports to CITY by COUNTY.

- A. The County shall adopt a performance standard for fire services and shall use its best efforts to maintain the same level of fire protection, ISO rating, areas of coverage, types of coverage, and response times. Service performance metrics are as follows. The COUNTY will provide calls as per the COUNTY's operating procedure and shall maintain an annual average goal is... R responses time to calls for fire shall be at or under 4.23 minutes, as an annual average and a maximum of 6 minutes, not inclusive of cancellations. Cancellations will not be included in average times. Should the COUNTY's average not be the 4.2 minutes or any call longer than 6 minutes, a portion of the contract shall be returned to the CITY in the amount of up to \$50,000, based on averages up to 30 seconds above the 4.2 minutes and \$100,000 for any additional times or any call taking more than 6 minutes. ; [This paragraph needs revising - Does the City want a performance metric or a performance goal?]
- B. The COUNTY shall make a quarterly written reports to the CITY two times a year setting forth statistical information concerning the provision by the COUNTY of fire services in the CITY. Such reports shall include the number and type of incidents and service calls, number of plans reviewed, number of site plans reviewed, and number of inspections conducted.
- C. The COUNTY Fire Chief will monitor response time reports and provide copies to the City Administrator. For emergency medical and fire protection calls, COUNTY shall make every reasonable effort to respond within established Commission on Fire Accreditation International (CFAI) agency accreditation and National Fire Protection Association (NFPA) 1221, and 1710 standards for responsible guidelines.
- D. Revisions to the response standards determined y CFAI and NFPA will be applied as they occur for COUNTY to remain current with established industry standards and accreditation requirements. The COUNTY Fire Chief will provide the City Manager with response time metrics annually or more often as needed or required as the nationally established guidelines, accreditation standards and metrics are modified or revised. Response time shall be calculated from the time of intake until the appropriate unit arrives on the scene of the incident as required in COUNTY's system.
- E. COUNTY shall provide quarterly reports (on or about October 1st, January 1st, April 1st and July 1st) to the City Manager that include the following information:
- a. Calls for service based on units responding
 - b. Staffing and Transfers
 - c. Response Time reports, trends and other relevant performance data
 - d. ~~Citize~~Citizen complaints and their status/disposition

- e. Encumbered times for units by day of week
- f. Fire prevention activities (past month and planned current month)
- g. Annual inspections and re-inspections including progress toward all required annual inspections.

At any time during the term of this Agreement, the City Administrator shall have the right to make reasonable modifications to the reporting format(s), reporting content, and reporting period(s).

Section 12. General Liability for Conduct of Former City Employees. The CITY shall remain solely responsible for any and all claims and litigation alleging negligence or wrongdoing by the CITY or any CITY Fire Rescue employee due to the conduct of any CITY Fire Rescue employee, or others within the CITY, occurring before the Commencement Date of Services. The CITY will defend, indemnify, and save harmless the COUNTY, including all of its boards, agencies, departments, officers, employees, agents, and volunteers against any and all claims, demands, lawsuits, liability, judgments, debts, loss, damages, and expenses (including, but not limited to, costs and legal fees) including, but not limited to those arising from injuries or death of persons, and for damages to property, arising directly or indirectly out of any CITY Fire Rescue employee's actions or inaction occurring prior to the Commence Date of Services.

Section 13. Worker's Compensation. CITY agrees that it will remain fully responsible for any and all workers' compensation injuries to CITY employees that occurred while the employees were employed by the CITY. This shall include, but is not limited to, any claims filed after the Commencement Date of Services if the injury in question occurred prior to the Commencement Date of Services. This obligation shall continue in perpetuity. CITY agrees to maintain any required insurance premiums, service fees, third party administrator fees, excess insurance coverage (if any) in order to be sure all dates of injury prior to the date the employment with the CITY is terminated is fully funded and not the responsibility of the COUNTY. It is further agreed that the CITY shall defend, reimburse, indemnify, and hold harmless the COUNTY for any injuries occurring during all employees' employment with the CITY.

Section 14. Records Retention. The CITY shall maintain all records pursuant to the CITY's retention schedule, in accordance with state and federal laws, and any litigation holds in effect as of the Effective Date. CITY staff will maintain and provide the COUNTY access to the CITY's fire prevention records for a minimum of two (2) years or for such other minimum retention period(s) as may otherwise be applicable to the public records involved. Such records include but are not limited to fire code permits, construction permits, special use permits, code enforcement complaints, and inspection records. All costs associated with maintaining the current database shall be the responsibility of the CITY.

Section 15. Indemnification/Sovereign Immunity. Except as otherwise specifically provided in the Agreement, neither party shall be liable for the negligent or wrongful acts of the other party in the performance of this Agreement. Nothing in this Section is intended to serve as a waiver of each of the Parties' respective sovereign immunity.

Section 16. Default.

- A. *Notice of Default; Cure Period.* In the event a party to this Agreement fails to perform pursuant to the terms and conditions of this Agreement, the party to which an obligation to perform is owed shall provide the non-performing party written notice of said non-performance, upon receipt of which notice the non-performing party will have thirty (30) days to cure such default or otherwise comply with any request for performance. If non-performance continues beyond such thirty (30)-day period, the complaining party may pursue any and all available legal remedies.
- B. *Failure to Give Notice of Default.* A party's failure to give, or delay in giving, any notice of default shall not by itself constitute a waiver of the non-performing party's obligations, requirements or covenants under this Agreement. Any failure or delay by one party to assert any rights and remedies as to the non-performance of the other party shall not operate as a waiver of any default by the other party nor any rights and remedies available to that party.

Section 17. Notices. Any notice, demand, request, or other instrument which may be or is required to be given or delivered under this Agreement shall be deemed to be delivered (i) whether or not actually received, five (5) days after deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, or (ii) when received (or when receipt is refused) if delivered personally or sent by a nationally-recognized overnight courier, all charges prepaid, at the addresses of COUNTY and CITY as set forth in this paragraph. Such address may be changed by written notice to the other party in accordance with this paragraph.

County:

Okeechobee County
Attn: County Administrator
304 NW 2nd Street
Okeechobee, Florida 34972

City:

City of Okeechobee
Attn: City Administrator
55 SE 3rd Avenue
Okeechobee, FL 34974

Section 18. Public Records.

- A. Pursuant to section 119.0701, Florida Statutes, the COUNTY and the CITY shall:
- i. Retain all records in accordance with Chapter 119.
 - ii. Keep and maintain public records required in order to perform the Agreement's requirements.
 - iii. Upon request from the CITY or COUNTY custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in State Statute or as otherwise provided by law.
 - iv. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements and are not disclosed except as authorized by law

for the duration of the Agreement term and following completion of the Agreement.

- v. If the COUNTY or CITY, in their respective sole discretion, requests a copy of all Public records in possession of the other party, the COUNTY or CITY shall duplicate and provide to the records, at no cost, all Public records in possession within a reasonable amount of time and in a format that is accessible.
- B. Pursuant to Section 119.0701(2)(a), Fla. Stat., **IF THE COUNTY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE COUNTY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CITY'S CUSTODIAN OF PUBLIC RECORDS AT: LANE GAMIOTE, CMC, CITY CLERK, (863) 763-3372, EXT. 9814, LGAMIOTE@CITYOFOKEECHOBEE.COM, 55 SE 3RD AVE., OKEECHOBEE, FL 34974.**
- C. Pursuant to Section 119.0701(2)(a), Fla. Stat., **IF THE CITY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CITY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE COUNTY'S CUSTODIAN OF PUBLIC RECORDS AT: ROBBIE L. CHARTIER, COUNTY ADMINISTRATOR, AT 863-763-6441, EXT 1; publicrecords@co.okeechobee.fl.us; MAILING ADDRESS: 304 NW 2nd Street, ROOM 123, OKEECHOBEE, FL 34972.**

Section 19. Third Parties. The parties hereto do not intend, nor shall this Agreement be construed to grant any rights, privileges, or interest to any third party.

Section 20. Entire Agreement. This Agreement, including attachments hereto, if any, constitutes the entire agreement between the CITY and the COUNTY. No change will be valid, unless made by supplemental written agreement, executed and approved by the parties.

Section 21. Headings. The section headings are inserted herein for convenience and reference only, and in no way define, limit or otherwise describe the scope or intent of any provisions hereof.

Section 22. Severability. Should any section or any part of any section of this Agreement be rendered void, invalid, or unenforceable by any court of law, for any reason, such determination shall not render void, invalid, or unenforceable any other section or any part of any section in this Agreement.

Section 23. No Construction against Preparer. This Agreement has been prepared jointly by the COUNTY and the CITY and their respective professional advisors. The County, City and their respective professional advisors believe that this Agreement expresses their agreement and that it

should not be interpreted in favor of either the County or City or against the County or City merely because of their respective efforts in preparing it.

Section 24. Governing Law. The validity and interpretation of this Agreement shall be governed by the laws of the State of Florida, and venue shall be in the Nineteenth Judicial Circuit in Okeechobee County, Florida. Each party waives any defense of improper or inconvenient venue as to the stated court and consents to personal jurisdiction in the stated court.

Section 25. Amendment. No amendment, modification or alteration of the terms hereof shall be binding unless the same be in writing, dated concurrent or subsequent to the date hereof and duly executed by the parties hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their duly authorized representatives.

APPROVED this ____ day of _____ 2020, by the Okeechobee County Board of County Commissioners.

**OKEECHOBEE COUNTY, a political
subdivision of the State of Florida**

Attest:

By: _____
Terry W. Burroughs, Chairman
Board of County Commissioners

Sharon Robertson, Clerk of the Circuit
Court and Comptroller

Approved as to Form and Legality for
Okeechobee County:

Wade Vose, County Attorney

APPROVED this ____ day of _____ 2020, by the Okeechobee City Council.

**CITY OF OKEECHOBEE, Florida, a
municipal corporation of the State of Florida**

Attest:

By: _____
Dowling R. Watford, Jr., Mayor

Lane Gamiotea, CMC, City Clerk

Approved as to Form and Legality for
Okeechobee County:

John J. Fumero, City Attorney