



# CITY OF OKEECHOBEE

55 SE THIRD AVENUE  
OKEECHOBEE, FL 34974

**APRIL 16, 2024**

**6:00 PM**

## LIST OF EXHIBITS

**Mayor**

Dowling R. Watford, Jr.

**Council Members**

Noel Chandler

Monica Clark

Bob Jarriel

David McAuley

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Exhibit 1	April 2, 2024 Minutes
Exhibit 2	March, 2024 Warrant Register
Exhibit 3	Ordinance 1288
Exhibit 4	2023 Audited Financial Statement
Exhibit 5	Ordinance 1289
Exhibit 6	Longevity Service Awards proposed amendments
Exhibit 7	Lake Okeechobee Project Status Report, January – March, 2024



**CITY OF OKEECHOBEE, FLORIDA**  
**APRIL 2, 2024, REGULAR CITY COUNCIL MEETING**  
**DRAFT MEETING MINUTES**

**I. CALL TO ORDER**

Mayor Watford called the regular meeting of the City Council for the City of Okeechobee to order on April 2, 2024, at 6:00 P.M. in the City Council Chambers, located at 55 Southeast 3<sup>rd</sup> Avenue (AVE), Room 200, Okeechobee, Florida. The invocation was offered by Pastor Don Hanna of First United Methodist Church; followed by the Pledge of Allegiance led by Council Member Chandler.

**II. ATTENDANCE**

City Clerk Lane Gamiotea called the roll. Members present to establish a quorum: Mayor Dowling R. Watford, Jr., Vice Mayor Monica M. Clark, and Council Members Noel A. Chandler, Robert "Bob" Jarriel, and David R. McAuley.

**III. AGENDA AND PUBLIC COMMENTS**

A. There were no modifications stated at this time. However, three pages were added to Exhibit 5, for New Business Item VI. B.

B. Motion and second by Council Members Jarriel and McAuley, to adopt the agenda as published.  
**Motion Carried Unanimously.**

C. There were no comment cards submitted for public participation for issues not on the agenda.

**IV. CONSENT AGENDA**

Motion by Vice Mayor Clark, second by Council Member Chandler to:

A. Dispense with the reading and approve the Minutes for March 19, 2024 [as presented in **Exhibit 1**]; and

B. Reappoint Dawn Hoover and Mac Jonassaint as regular members and Dean Murray as an alternate member to the Planning Board, the Board of Adjustment, and the Design Review Board, terms being May 1, 2024, through April 30, 2027 [as presented in **Exhibit 2**].

**Motion Carried Unanimously.**

**V. MAYOR WATFORD OPENED THE PUBLIC HEARING FOR ORDINANCE ADOPTION AT 6:02 P.M.**

A. Motion and second by Council Members Jarriel and McAuley to read by title only, proposed Ordinance No. 1287, prohibiting smoking/vaping in City Parks, adding enforcement of the policy by Code Enforcement citation process [as presented in **Exhibit 3**].

**Motion Carried Unanimously.**

City Attorney John Fumero read into the record the title of proposed Ordinance No. 1287 as follows: "**AN ORDINANCE OF THE CITY OF OKEECHOBEE, FLORIDA, AMENDING THE CODE OF ORDINANCES AT CHAPTER 30 ENVIRONMENT; ADDING SECTION 30-47 SMOKING AT PUBLIC PARKS PROHIBITED; PROHIBITING SMOKING IN CITY PARKS; PROVIDING FOR ENFORCEABILITY; PROVIDING FOR CONFLICT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.**"

Motion by Vice Mayor Clark, second by Council Member Jarriel, to adopt proposed Ordinance No. 1287. Mayor Watford opened the floor for public comments, there were none.

**Roll Call Vote: Chandler – Yea, Clark – Yea, Jarriel – Yea, McAuley – Yea, Watford – Yea.**

**Motion Carried Unanimously.**

**MAYOR WATFORD CLOSED THE PUBLIC HEARING AT 6:04 P.M.**

**VI. NEW BUSINESS**

A. Motion and second by Council Members Jarriel and McAuley to [award] a [Quote] to Streamline Paving in the amount of \$18,900.00 for repairing [two segments] of the asphalt on Southwest (SW) 11<sup>th</sup> AVE [segment one: the East 12.5-foot (ft) from SW 2<sup>nd</sup> Street (ST) Northward 50-ft; segment two: the West 12.5-ft from SW 6<sup>th</sup> ST Southward 202-ft as presented in **Exhibit 4**].

**Motion Carried Unanimously.**

**VI. NEW BUSINESS CONTINUED**

**B.** Motion by Vice Mayor Clark, second by Council Member Jarriel, to approve the Fiscal Year 2023-24 proposed Midyear Budget Amendments [as presented in **Exhibit 5**]. Finance Director Riedel distributed three pages that corrected pages one and two of the budget, and the one page that provided the line items and difference amount between the adopted budget to mid-year adjustment amount.

**Motion Carried Unanimously.**

**C.** Mayor Watford advised he has received numerous complaints regarding food trucks becoming permanent structures and requested the topic be discussed. City Planner Ben Smith of Morris-Depew Associates, Inc., and City Attorney Fumero provided the standards as outlined in Ordinance No. 1272 as adopted by the Council as well as the Florida Statutes (FS) mandating what authority the City has to govern food trucks. The Ordinance allows food trucks to operate within the Industrial and all Commercial Zoning Districts so long as they meet the requirements in the FS and Ordinance. The Ordinance does not address the length of time food trucks can operate in these Zoning Districts, so long as there is no more than two per site and no tables or chairs. Other Zoning Districts allow food trucks based on special event/temporary use permits.

The issue of requiring bathrooms was addressed. The three hours limit provided in the Ordinance is not the length of time a food truck can operate, but rather the length of time they can operate before bathrooms are required to be made available to the food truck's customers. City business owners Jose Cruz of Manny's Flower Shop and Jason Ferrell of Ferrell's Market addressed the Council on the issue. There was no official action taken.

**VII. CITY ATTORNEY UPDATE**

Discussed information included in House Bill 1365 prohibiting unauthorized camping and sleeping in public areas. The Bill provides for citizens to file suit against municipalities that do not take the appropriate measures to prevent said actions. A copy of the Bill was provided to the City Clerk and added to the official Minute File. Attorney Fumero will be providing a written summary of all new laws from the 2023 Legislative Session to the Mayor, Council, and Staff.

**VIII. CITY ADMINISTRATOR UPDATE**

- Thanked the Staff for the great job they did while he was out of the office [March 20-31].
- The City is working diligently to complete the real estate closings on the two properties within the Commerce Center so the new businesses can begin site planning and development.
- Reminded everyone that there are growing pains involved in the process when cities see increases in development; but that new businesses attract more new businesses to the area; the growing pains are not going to get better, changes in technology and the way the City operates will be needed. He recommended that in lieu of Department Reports, that a Workshop be scheduled prior to the next budget cycle to review the day-to-day issues each department is experiencing.

**IX. COUNCIL COMMENTS**

- Council Member Chandler stated he was glad to see Council Member Jarriel was able to attend the meeting in person.
- Council Member Jarriel is glad to be out of the hospital and to see that the General Services Department has been busy.
- Council Member McAuley thanked the Finance Department for their work on the mid-year Budget amendments.

**X. ADJOURNMENT**

There being no further items of discussion, Mayor Watford adjourned the meeting at 7:09 P.M.

Submitted By:

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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, s/he 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.



Okeechobee, FL

Exhibit 2  
04/16/2024

# Check Report

By Check Number

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: CapVeh Fund-Capital Vehicle Fund Truist Checking</b>						
Communications Inter	Communications International, Inc.	03/15/2024	Regular	0.00	2,250.00	1987
Cooling Refrigeratio	Cooling Refrigeration Services, Inc.	03/15/2024	Regular	0.00	5,790.00	1988
Home Depot	Home Depot Credit Services	03/28/2024	Regular	0.00	2,259.78	1989
ICS	ICS Computers Inc.	03/28/2024	Regular	0.00	869.90	1990

**Bank Code CapVeh Fund Summary**

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	4	4	0.00	11,169.68
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>4</b>	<b>4</b>	<b>0.00</b>	<b>11,169.68</b>

Check Report

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: GenFund-General Fund Checking-Truist Checking</b>						
City Of Okeechobee P	City Of Okeechobee Payroll Account	03/06/2024	EFT	0.00	114,787.14	252
1644	PRM - Health Insurance	03/15/2024	EFT	0.00	60,952.58	253
1770	PRM - Life, LTD & STD	03/15/2024	EFT	0.00	2,310.28	254
1770	PRM - Life, LTD & STD	03/15/2024	EFT	0.00	1,509.29	255
1645	PRM - Vision & Dental	03/15/2024	EFT	0.00	2,282.93	256
City Of Okeechobee P	City Of Okeechobee Payroll Account	03/20/2024	EFT	0.00	122,086.11	257
BOA- 2709 fka 0257 a	Bank of America - 2709 fka 0257 Admin	03/05/2024	Regular	0.00	1,323.67	46968
BOA- 9616	Bank of America - 9616 PD#2	03/05/2024	Regular	0.00	3,305.88	46969
BOA- 9852 fka 8540	Bank of America - 9852 fka 8540	03/05/2024	Regular	0.00	218.95	46970
BOA- 9928 fka 2303 P	Bank of America - 9928 fka 2303 PW	03/05/2024	Regular	0.00	1,029.82	46971
Clerk of court	Okeechobee County Clerk of Court	03/06/2024	Regular	0.00	367.00	46972
LVNV Funding LLC	LVNV Funding, LLC	03/07/2024	Regular	0.00	342.54	46973
Clerk of court	Okeechobee County Clerk of Court	03/11/2024	Regular	0.00	148.00	46974
AdvanceAuto	Advance Auto Parts	03/15/2024	Regular	0.00	21.99	46975
American Drilling Se	American Drilling Services, Inc.	03/15/2024	Regular	0.00	217.50	46976
AFLAC	American Family Life Assurance Co.	03/15/2024	Regular	0.00	328.28	46977
C&C Industrial Enter	C&C Industrial Enterprise. LLC	03/15/2024	Regular	0.00	426.75	46978
Carr, Riggs & Ingram	Carr, Riggs & Ingram, LLC	03/15/2024	Regular	0.00	6,000.00	46979
Central Florida Regi	Central Florida Regional Planning Council	03/15/2024	Regular	0.00	10,000.00	46980
CenturyLink-LD	CenturyLink	03/15/2024	Regular	0.00	17.79	46981
Communications Inter	Communications International, Inc.	03/15/2024	Regular	0.00	820.25	46982
Federal Eastern Inte	Federal Eastern International, Inc.	03/15/2024	Regular	0.00	3,511.80	46983
CIT Technology Finan	First-Citizens Bank & Trust Co	03/15/2024	Regular	0.00	1,019.33	46984
Fitness Factory	Fitness Factory	03/15/2024	Regular	0.00	280.00	46985
FPU	Florida Public Utilities	03/15/2024	Regular	0.00	57.16	46986
HealthEquity	HealthEquity	03/15/2024	Regular	0.00	10.80	46987
HealthEquity	HealthEquity	03/15/2024	Regular	0.00	587.40	46988
ICS	ICS Computers Inc.	03/15/2024	Regular	0.00	2,080.00	46989
IMS	IMS	03/15/2024	Regular	0.00	279.78	46990
INTERNATIONAL BRON	INTERNATIONAL BRONZE	03/15/2024	Regular	0.00	1,550.00	46991
2253	MacVicar Consulting, Inc.	03/15/2024	Regular	0.00	250.00	46992
Morris-Depew Associa	Morris-Depew Associates, Inc.	03/15/2024	Regular	0.00	9,936.00	46993
2212	Nason Yeager Gerson Harris & Fumero P.A.	03/15/2024	Regular	0.00	9,900.00	46994
BOCC	Okeechobee County - BOCC	03/15/2024	Regular	0.00	1,437.00	46995
1727	Okeechobee Dodge Chrysler Jeep	03/15/2024	Regular	0.00	1,237.59	46996
222	Okeechobee News c/o Independent Newspaper	03/15/2024	Regular	0.00	342.72	46997
Rabon	Rabon's Country Feed	03/15/2024	Regular	0.00	52.67	46998
1699	River City Supply, LLC	03/15/2024	Regular	0.00	951.10	46999
1574	Salem Trust Company	03/15/2024	Regular	0.00	1,199.12	47000
1574	Salem Trust Company	03/15/2024	Regular	0.00	10,831.32	47001
554	Scott's Quality Cleaning	03/15/2024	Regular	0.00	1,721.66	47002
2110	Security 101	03/15/2024	Regular	0.00	805.28	47003
2183	Select Shred	03/15/2024	Regular	0.00	30.00	47004
1827	Soler Automotive	03/15/2024	Regular	0.00	250.00	47005
Taylor Rental	Taylor Rental - Okeechobee	03/15/2024	Regular	0.00	168.65	47006
1813	Thompson Reuters	03/15/2024	Regular	0.00	113.76	47007
Thread	Thread Works Embroidery, LLC	03/15/2024	Regular	0.00	487.00	47008
Tire Zone	Tire Zone of Okeechobee, Inc.	03/15/2024	Regular	0.00	2,096.19	47009
1861	TransUnion Risk & Alternative Data	03/15/2024	Regular	0.00	75.00	47010
TCMA	Treasure Coast Medical Associates	03/15/2024	Regular	0.00	2,938.00	47011
2258	Tyler Business Forms	03/15/2024	Regular	0.00	216.56	47012
1544	UniFirst Corp	03/15/2024	Regular	0.00	347.77	47013
1939	United Way	03/15/2024	Regular	0.00	30.00	47014
Verizon	Verizon Wireless	03/15/2024	Regular	0.00	1,194.92	47015
W&W	W&W Lumber Company of Okeechobee	03/15/2024	Regular	0.00	307.58	47016
538	Waste Management Inc. of Florida	03/15/2024	Regular	0.00	51,146.27	47017
WEX	WEX Bank	03/15/2024	Regular	0.00	5,356.67	47018
LVNV Funding LLC	LVNV Funding, LLC	03/21/2024	Regular	0.00	342.54	47019
AbacusElevator	Abacus Elevator Consulting & Inspection,	03/28/2024	Regular	0.00	255.00	47020
AdvanceAuto	Advance Auto Parts	03/28/2024	Regular	0.00	251.47	47021

**Check Report**

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Aetna	Aetna Behavioral Health, LLC	03/28/2024	Regular	0.00	250.00	47022
American Drilling Se	American Drilling Services, Inc.	03/28/2024	Regular	0.00	15.00	47023
Avenu	Avenu	03/28/2024	Regular	0.00	702.23	47024
C&C Industrial Enter	C&C Industrial Enterprise. LLC	03/28/2024	Regular	0.00	57.20	47025
Carl Berlin	Carl Berlin	03/28/2024	Regular	0.00	35.00	47026
CenturyLink-Fiber	Century Link	03/28/2024	Regular	0.00	1,826.54	47027
CenturyLink-Local	CenturyLink	03/28/2024	Regular	0.00	2,146.02	47028
City Electric Supply	City Electric Supply	03/28/2024	Regular	0.00	75.48	47029
Everglades Farm Equi	Everglades Farm Equip. Co., Inc.	03/28/2024	Regular	0.00	514.27	47030
Evergreen	Evergreen Solutions, LLC	03/28/2024	Regular	0.00	6,290.00	47031
FPL	Florida Power & Light Company	03/28/2024	Regular	0.00	2,616.87	47032
FPL	Florida Power & Light Company	03/28/2024	Regular	0.00	2,045.16	47033
FPU	Florida Public Utilities	03/28/2024	Regular	0.00	868.31	47034
Gilbert Oil Company,	Gilbert Oil Company, Inc.	03/28/2024	Regular	0.00	582.86	47035
Harris	Harris Corporation	03/28/2024	Regular	0.00	576.00	47036
1892	Highland Pest Control	03/28/2024	Regular	0.00	10.00	47037
Home Depot	Home Depot Credit Services	03/28/2024	Regular	0.00	694.76	47038
James Murray	James Murray	03/28/2024	Regular	0.00	35.00	47039
2174	James Shaw	03/28/2024	Regular	0.00	35.00	47040
1866	JC Newell Const. Inspect. Services, Inc.	03/28/2024	Regular	0.00	5,356.00	47041
JonathanFolbrecht	Jonathan Folbrecht	03/28/2024	Regular	0.00	35.00	47042
1532	Karyne Brass	03/28/2024	Regular	0.00	35.00	47043
Kimley-Horn and Asso	Kimley-Horn and Associates, Inc.	03/28/2024	Regular	0.00	650.00	47044
594	KYOCERA Document Solutions Southeast	03/28/2024	Regular	0.00	64.54	47045
LegalShield	LegalShield	03/28/2024	Regular	0.00	50.85	47046
1895	Mac L Jonassaint	03/28/2024	Regular	0.00	35.00	47047
MissionSquare	MissionSquare	03/28/2024	Regular	0.00	2,750.00	47048
OUA	Okeechobee Utility Authority	03/28/2024	Regular	0.00	1,247.56	47049
1564	Philip Baughman	03/28/2024	Regular	0.00	35.00	47050
Professional Lift	Professional Lift Solutions	03/28/2024	Regular	0.00	400.00	47051
1155	Safety Products Inc.	03/28/2024	Regular	0.00	32.71	47052
1574	Salem Trust Company	03/28/2024	Regular	0.00	11,040.03	47053
1574	Salem Trust Company	03/28/2024	Regular	0.00	1,203.93	47054
554	Scott's Quality Cleaning	03/28/2024	Regular	0.00	1,932.91	47055
Sherwin	Sherwin-Williams Co.	03/28/2024	Regular	0.00	143.34	47056
635	STAMM Manufacturing	03/28/2024	Regular	0.00	600.00	47057
350	Superior Water Works, Inc.	03/28/2024	Regular	0.00	55.00	47058
Supplyline	Supplyline	03/28/2024	Regular	0.00	120.99	47059
Taylor Rental	Taylor Rental - Okeechobee	03/28/2024	Regular	0.00	55.99	47060
1516	Total Roadside Services, Inc.	03/28/2024	Regular	0.00	150.00	47061
1939	United Way	03/28/2024	Regular	0.00	30.00	47062
Verizon	Verizon Wireless	03/28/2024	Regular	0.00	-472.53	47063
Verizon	Verizon Wireless	03/28/2024	Regular	0.00	472.53	47063
Verizon	Verizon Wireless	03/28/2024	Regular	0.00	52.43	47064
Verizon	Verizon Wireless	03/28/2024	Regular	0.00	72.14	47065
Verizon	Verizon Wireless	03/28/2024	Regular	0.00	252.71	47066
W&W	W&W Lumber Company of Okeechobee	03/28/2024	Regular	0.00	471.31	47067
743	Walmart/Capital One	03/28/2024	Regular	0.00	60.14	47068

Check Report

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1490	World Risk Management	03/28/2024	Regular	0.00	150.00	47069

Bank Code GenFund Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	147	102	0.00	185,147.34
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	-472.53
Bank Drafts	0	0	0.00	0.00
EFT's	6	6	0.00	303,928.33
	<b>153</b>	<b>109</b>	<b>0.00</b>	<b>488,603.14</b>

Check Report

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: Grant Fund 305-Industrial Development Fund						
CraigSmith	Craig A Smith	03/28/2024	Regular	0.00	562.50	1424

Bank Code Grant Fund 305 Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	1	1	0.00	562.50
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>1</b>	<b>1</b>	<b>0.00</b>	<b>562.50</b>

**Check Report**

**Date Range: 03/01/2024 - 03/31/2024**

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: Grant Fund 309-City Hall Hardening Construction</b>						
Kimley-Horn and Asso	Kimley-Horn and Associates, Inc.	03/28/2024	Regular	0.00	4,685.24	1425

**Bank Code Grant Fund 309 Summary**

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	1	1	0.00	4,685.24
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>1</b>	<b>1</b>	<b>0.00</b>	<b>4,685.24</b>

**Check Report**

**Date Range: 03/01/2024 - 03/31/2024**

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: PubFac Fund-Public Facility Fund-Truist Checking</b>						
BOA- 9928 fka 2303 P	Bank of America - 9928 fka 2303 PW	03/05/2024	Regular	0.00	2,081.57	3748
Gilbert Outdoors	Gilbert Outdoors	03/15/2024	Regular	0.00	14,040.30	3749
Nunez Lawncare & Lan	Nunez Lawncare & Landscaping Inc	03/15/2024	Regular	0.00	8,333.33	3750
American Design	American Design Engineering Construction Inc	03/19/2024	Regular	0.00	70,917.50	3751
Celeste Watford Tax	Celeste Watford Tax Collector	03/27/2024	Regular	0.00	119.55	3752
493	Duval Motor Company	03/28/2024	Regular	0.00	45,439.83	3753
FPL	Florida Power & Light Company	03/28/2024	Regular	0.00	5,691.90	3754
Mosca Design, Inc	Mosca Design, Inc	03/28/2024	Regular	0.00	14,991.74	3755

**Bank Code PubFac Fund Summary**

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	8	8	0.00	161,615.72
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>8</b>	<b>8</b>	<b>0.00</b>	<b>161,615.72</b>

### All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	161	116	0.00	363,180.48
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	-472.53
Bank Drafts	0	0	0.00	0.00
EFT's	6	6	0.00	303,928.33
	<b>167</b>	<b>123</b>	<b>0.00</b>	<b>666,636.28</b>

### Fund Summary

Fund	Name	Period	Amount
001	GENERAL FUND	3/2024	488,603.14
301	PUBLIC FACILITY FUND	3/2024	161,615.72
304	CAPITAL PROJECTS FUND	3/2024	11,169.68
305	INDUSTRIAL DEVELOPMENT FUND	3/2024	562.50
309	OTHER GRANT CAPITAL FUND	3/2024	4,685.24
			<b>666,636.28</b>

## ORDINANCE NO. 1288

**AN ORDINANCE OF THE CITY OF OKEECHOBEE, FLORIDA; RESCINDING ORDINANCE NO. 568 ADDING LONGEVITY SERVICE AWARDS TO CITY EMPLOYEES; PROVIDING FOR CONFLICT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Okeechobee, Florida ("City"), adopted Ordinance No. 568, of which Section I, amended the Code of Ordinances for the City by amending Chapter Two, Article V, to add Division 3-Longevity Service Awards, by adding Section 2-97, which has since been renumbered to be Article III, Division 2-Longevity Service Awards, Section 2-91 to provide for monetary awards to city employees for longevity service; and

**WHEREAS**, the City has a legitimate interest in periodic review of its Ordinances to address certain inconsistencies or outdated regulations contained in the Codes; to make amendments to meet changing community standards, or to accommodate new development; and to create new ordinances or regulations to better serve the public and to make the Code a more consistent and easier to understand document; and

**WHEREAS**, the City Council for the City considered recommendations by the City staff and concludes that the terms for the longevity service awards to City employees are best codified in the City Personnel Policies and Procedures handbook.

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

### **SECTION 1: RECITALS.**

The foregoing "whereas" clauses are incorporated herein as legislative findings by this reference and made a part hereof for all intents and purposes.

### **SECTION 2: RESCISSION OF ORDINANCE 568.**

That Ordinance 568, a copy attached hereto, Section I, is hereby rescinded in its entirety.

### **SECTION 3: CONFLICT.**

All ordinances or parts of ordinances in conflict herewith are hereby repealed.

### **SECTION 4: INCLUSION IN THE CODE.**

It is the interest of the City Council, and it is hereby ordained at the provision of this Ordinance shall become and made part of the Code of Ordinances for the City.

### **SECTION 5: SEVERABILITY.**

If any provision or portion of this ordinance is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of this ordinance shall remain in full force and effect.

### **SECTION 6: EFFECTIVE DATE.**

This Ordinance shall take effect immediately upon its passage.

**INTRODUCED** for First Reading and set for Final Public Hearing on this 19<sup>th</sup> day of March 2024. Roll Call Vote:

	Yes	No	Abstained	Absent
Council Member Chandler:	X			
Council Member/Vice Mayor Clark:	X			
Council Member Jarriel:	X			
Council Member McAuley:	X			
Mayor Watford:	X			

\_\_\_\_\_  
Dowling R. Watford, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Lane Gamiotea, CMC, City Clerk

**PASSED AND ADOPTED** after Second and Final Public Hearing this 16<sup>th</sup> day of April 2024. Roll Call  
Vote:

	Yes	No	Abstained	Absent
Council Member Chandler:				
Council Member/Vice Mayor Clark:				
Council Member Jarriel:				
Council Member McAuley:				
Mayor Watford:				

\_\_\_\_\_  
Dowling R. Watford, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Lane Gamiotea, CMC, City Clerk

**REVIEWED FOR LEGAL SUFFICIENCY:**

\_\_\_\_\_  
John J. Fumero, City Attorney  
Nason Yeager Gerson Harris & Fumero, P.A.

ORDINANCE NO. 568

AN ORDINANCE AMENDING THE ORDINANCE CODE OF THE CITY OF OKEECHOBEE, FLORIDA; AMENDING CHAPTER TWO, ARTICLE V WHICH PROVIDES FOR PENSIONS AND RETIREMENT OF CITY EMPLOYEES; ADDING DIVISION 3-LONGEVITY SERVICE AWARDS; ADDING SECTION 2-97 TO PROVIDE FOR ONE-TIME MONETARY AWARDS TO CITY EMPLOYEES FOR LONGEVITY SERVICE; PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OKEECHOBEE, FLORIDA.

SECTION I: Chapter Two of the Ordinance Code of the City of Okeechobee is amended to add the following provisions:

Division 3 - LONGEVITY SERVICE AWARDS

Section 2-97: It is hereby declared to be the policy of the City to encourage career or longevity service by its employees and, as incentive for such longevity service, monetary awards to full-time employees based upon length of service shall be awarded as follows:

a. Twenty (20) years - Any full-time employee who completes twenty (20) years of continuous service or retires with twenty (20) years continuous service, shall receive an award of \$250.00.

b. Twenty-five (25) years - Any full-time employee who completes twenty-five (25) years of continuous service or retires with twenty-five (25) years of continuous service shall receive an award of \$500.00.

c. Thirty (30) years - Any full-time employee who completes thirty (30) years of continuous service or retires with thirty (30) years continuous service, shall receive an award of \$750.00.

d. Thirty-five (35) years - Any full-time employee who completes thirty-five (35) years of continuous service or retires with thirty-five (35) years of continuous service shall receive an award of \$1,000.00.

e. Forty (40) years - Any full-time employee who completes forty (40) years of continuous service or retires with forty (40) years continuous service, shall receive an award of \$1,250.00.

f. The term "full-time employee" shall, for purposes of this section only, include the following elected officials: Council members and City Clerk.

g. The term "continuous service" shall, for purposes of this section only, include only years of actual service in the employment of the City.

SECTION II: Any active, full-time employee who, at the effective date of this ordinance, had completed twenty (20) or more years of continuous service to the City shall receive the monetary award for the highest level of service completed by that employee at the effective date. (Example: Employee A had 24 years of continuous service at the adoption of this Ordinance. Employee B had 26 years. A would receive \$250.00 and B would receive \$500.00. B would not receive \$250.00 for 20 years, plus \$500.00 for 25 years.)

SECTION III: This ordinance does not apply to any former employee who retired or otherwise left the employment of the City prior to the adoption of this ordinance.

SECTION IV: This Ordinance shall become effective immediately upon its adoption.

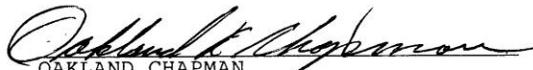
Introduced on first reading and set for public hearing this 7th day of January, 1986.

  
OAKLAND CHAPMAN  
Mayor

Attest:

  
BONNIE THOMAS  
Clerk

Passed on second reading and public hearing this 21st day of January, 1986.

  
OAKLAND CHAPMAN  
Mayor

Attest:

  
BONNIE THOMAS  
Clerk

APPROVED AS TO FORM:

  
JERALD D. BRYANT  
City Attorney

Page 2  
Ordinance 51

# City of Okeechobee, Florida

## Business Impact Estimate

### Pursuant to §166.041, Florida Statutes

Proposed ordinance's reference and title: **Ordinance No. 1288**

**AN ORDINANCE OF THE CITY OF OKEECHOBEE, FLORIDA; RESCINDING ORDINANCE NO. 568 ADDING LONGEVITY SERVICE AWARDS TO CITY EMPLOYEES; PROVIDING FOR CONFLICT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.**

This Business Impact Estimate is provided in accordance with section 166.041(4), Florida Statutes. If one or more boxes are checked below, this means the City is of the view that a business impact estimate is not required by state law<sup>1</sup> for the proposed ordinance, but the City is, nevertheless, providing this Business Impact Estimate as a courtesy and to avoid any procedural issues that could impact the enactment of the proposed ordinance. This Business Impact Estimate may be revised following its initial posting.

- The proposed ordinance is required for compliance with Federal or State law or regulation;
- The proposed ordinance relates to the issuance or refinancing of debt;
- The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the municipal government;
- The proposed ordinance is an emergency ordinance;
- The ordinance relates to procurement; or
- The proposed ordinance is enacted to implement the following:
  - a. Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements and development permits;
  - b. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
  - c. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
  - d. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

In accordance with the provisions of controlling law, even notwithstanding the fact that an exemption noted above may apply, the City hereby publishes the following information:

1. Summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals, and welfare):

**The ordinance rescinds a prior ordinance establishing a longevity service award program for City employees so that the same longevity service awards program may be managed under the City's human resources department. It promotes the public welfare by streamlining the City's ability to make timely adjustments to the longevity service awards program.**
2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City, if any:
  - (a) An estimate of direct compliance costs that businesses may reasonably incur;
  - (b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible; and
  - (c) An estimate of the City's regulatory costs, including estimated revenues from any new charges or fees to cover such costs.

**None.**
3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance:

**None.**
4. Additional information the governing body deems useful (if any):

**None.**

<sup>1</sup> See Section 166.041(4)(c), Florida Statutes.



**CITY OF OKEECHOBEE, FLORIDA**  
**MARCH 19, 2024, REGULAR CITY COUNCIL MEETING**  
**MEETING MINUTES**

**I. CALL TO ORDER**

Mayor Watford called the regular meeting of the City Council for the City of Okeechobee to order on March 19, 2024, at 6:00 P.M. in the City Council Chambers, located at 55 Southeast 3<sup>rd</sup> Avenue (AVE), Room 200, Okeechobee, Florida. The invocation was offered by Pastor Doug Ryan of Treasure Island Baptist Church; followed by the Pledge of Allegiance led by Council Member McAuley.

**II. ATTENDANCE**

City Clerk Lane Gamiotea called the roll. Members present to establish a quorum: Mayor Dowling R. Watford, Jr., Vice Mayor Monica M. Clark, and Council Members Noel A. Chandler, Robert "Bob" Jarriel, and David R. McAuley.

**III. AGENDA AND PUBLIC COMMENTS**

A. There were no modifications stated at this time. However, the revised Minutes for March 5, 2024, were distributed via email earlier today; and the Plat Page numbers were corrected from 7 through 10 to 10 through 14 on Item V. B.

B. Motion by Council Member Jarriel, second by Vice Mayor Clark, to adopt the revised agenda as published.  
**Motion Carried Unanimously.**

C. There were no comment cards submitted for public participation for issues not on the agenda.

**IV. CONSENT AGENDA**

Motion by Vice Mayor Clark, second by Council Member McAuley to:

A. Dispense with the reading and approve the revised Minutes for March 5, 2024, [added to **Exhibit 1**]; and,

B. Approve the February 2024 Warrant Register in the amounts: General Fund, \$490,358.66; Public Facility Improvement Fund, \$171,320.58; Capital Improvement Projects Fund, \$25,046.59; Industrial Development Fund, \$5,563.75; and Appropriations Grant Fund, \$675.00 [as presented in **Exhibit 2**].

**Motion Carried Unanimously.**

**V. NEW BUSINESS**

A. Motion and second by Council Members Jarriel and McAuley, to read by title only, proposed Ordinance No. 1288, removing the longevity service awards from Section 2-97 of the Code of Ordinances by rescinding a portion of Ordinance No. 568 [as presented in **Exhibit 3**].

**Motion Carried Unanimously.**

City Attorney John Fumero read into the record the title of proposed Ordinance No. 1288 as follows: "**AN ORDINANCE OF THE CITY OF OKEECHOBEE, FLORIDA; RESCINDING ORDINANCE NO. 568 ADDING LONGEVITY SERVICE AWARDS TO CITY EMPLOYEES; PROVIDING FOR CONFLICT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.**"

Motion and second by Council Members McAuley and Chandler, to approve the first reading, and set April 16, 2024, as a final Public Hearing date for proposed Ordinance No. 1288.

**Roll Call Vote: Chandler – Yea, Clark – Yea, Jarriel – Yea, McAuley – Yea, Watford – Yea.**

**Motion Carried Unanimously.**

B. Motion by Council Member Jarriel, second by Vice Mayor Clark, to accept the offer from Landmark Precast, LLC, to purchase Lots 17, 17A, and 17B, CITY OF OKEECHOBEE COMMERCE CENTER, Plat Book 7, Pages 10 through 14 [corrected from 7 through 10], Okeechobee County public records, located in the 1000 block along NE 12th Street, in the amount of \$420,000.00.

**Motion Carried Unanimously.**

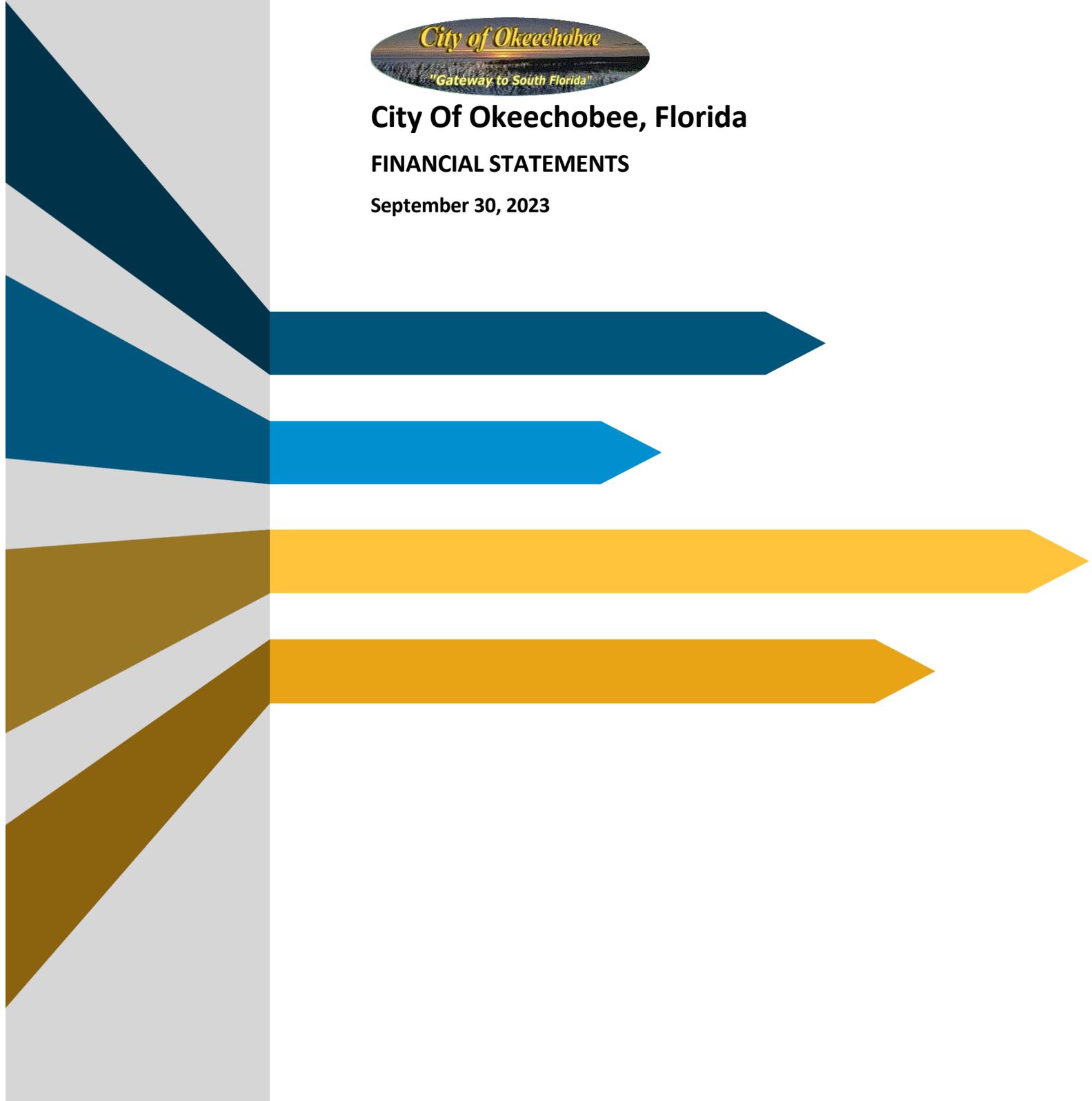
C. It was the consensus of the Council that the City have representation in the annual Speckled Perch Parade, Labor Day Parade, and the Okeechobee Main Street Christmas Festival Lighted Parade. Additionally, to have representation at the annual Cowtown Rodeo with a City banner on the vehicle the representatives are riding on.



**City Of Okeechobee, Florida**

**FINANCIAL STATEMENTS**

September 30, 2023



City of Okeechobee, Florida  
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For the year ended September 30, 2023



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**City of Okeechobee, Florida**  
**City Officials**  
**For the year ended September 30, 2023**

Dowling R. Watford, Jr.  
Mayor, Chairman

Monica Clark  
Vice Mayor

Noel Candler  
Bob Jarriel  
David McAuley  
Council Members

Gary Ritter  
City Administrator

Lane Gamiotea  
City Clerk

India Riedel  
Finance Director

Donald Hagan  
Chief of Police

David Allen  
Director of Public Works

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## **INDEPENDENT AUDITOR'S REPORT**

To the City Council  
City of Okeechobee, Florida

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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, (the "City") as of and for the year ended September 30, 2023, 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.

In our opinion, based on our report and the report of the 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, 2023 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the pension trust funds of the City of Okeechobee, Florida. Those statements were audited by other auditors whose report has been furnished to us, hence our opinion relates to the pension trust funds' amounts included for the governmental activities of the City of Okeechobee, Florida, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Okeechobee, Florida and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary information and the pension and other

postemployment benefits information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2024, 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, Florida'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.

*Carr, Rigg & Ingram, L.L.C.*

Melbourne, Florida

April 8, 2024

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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, 2023. 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, 2023:

- The City's total assets exceeded its liabilities at September 30, 2023 by \$23,505,616.
- The City's total revenues were \$9,254,856 for the year ended September 30, 2023, compared to total expenses of \$6,428,567, which resulted in a \$2,826,289 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.

City of Okeechobee  
Statement of Net Position

	<b>2023</b>	<b>2022</b>
Current assets	\$ 14,409,008	\$ 14,701,977
Capital assets	9,179,395	7,637,011
Noncurrent assets	57,770	5,641,791
Total assets	23,646,173	27,980,779
Deferred outflows	3,448,485	334,124
Unearned revenue	1,599,380	2,912,965
Current liabilities	519,949	586,484
Long-term liabilities	574,852	609,282
Total liabilities	2,694,181	4,108,731
Deferred inflows	894,861	3,526,845
Net position:		
Net investment in capital assets	9,179,395	7,637,011
Restricted	4,012,012	3,795,194
Unrestricted	10,314,209	9,247,122
Total net position	\$ 23,505,616	\$ 20,679,327

**Governmental Activities**

Total net position increased by \$2,826,289 primarily as a result of a \$5,584,021 decrease in noncurrent assets. In addition, an increase in capital of assets of \$1,542,384 and a \$1,313,585 decrease unearned revenue also contributed to the increase in net position. The decrease in total assets of \$4,334,606 was primarily due to a \$5,584,021 decrease in net pension assets due to prior year investment losses that are recognized over the following five years through deferred inflows and outflows due to the difference between projected and actual earnings on pension investments in the actuarial valuation, offset by an increase of \$1,542,384 in capital assets due to \$2,251,940 in capital asset additions offset by \$709,556 in depreciation expense. The net decrease in current and noncurrent liabilities was \$100,965 as current liabilities decreased by \$66,535 related to timing of payables and non-current liabilities decreased by \$34,430 resulting from a decrease in the OPEB liability obligation of \$41,547 and an increase in compensated absences of \$7,117. Unearned revenue decreased \$1,313,585 due to the City's current year expenditures of American Rescue Plan Act funds that were received in prior years and partially recognized as revenue in the current year.

**City of Okeechobee, Florida**  
**Management's Discussion and Analysis**

The following table shows condensed revenue and expense data:

	<b>2023</b>	<b>2022</b>
<u>City of Okeechobee, Florida</u> <u>Statement of Activities</u>		
<b>REVENUES:</b>		
Program revenues:		
Charges for services	\$ 1,063,540	\$ 870,044
Operating grants and contributions	796,505	731,401
Capital grants and contributions	1,313,585	167,379
General revenues:		
Property taxes	2,640,256	2,598,998
Public utility taxes	1,037,208	892,962
Franchise fees	798,672	650,583
Shared revenues	992,122	885,732
Investment income	528,394	72,356
Other income	84,574	30,944
Total revenues	<b>9,254,856</b>	6,900,399
<b>EXPENSES:</b>		
General government	652,830	587,220
Public safety	3,542,202	3,040,360
Transportation	1,552,655	1,174,516
Physical environment	672,780	629,594
Economic environment	8,100	-
Total expenses	<b>6,428,567</b>	5,431,690
Change in net position	<b>2,826,289</b>	1,468,709
Net position, beginning of year	<b>20,679,327</b>	19,210,618
Net position, end of year	<b>\$ 23,505,616</b>	\$ 20,679,327

## City of Okeechobee, Florida Management's Discussion and Analysis

The City experienced an increase of 34% in total revenues, a \$2,354,457 increase to \$9.25 million. The increase is primarily due to a \$1,146,206 increase in capital grants and contributions. Increase in investment income of \$456,038 as interest income increased due to the City investing in certificates of deposit with a higher rate of return. Increases in charges for service of \$193,496 due to an increase in building permits and fees and special detail revenues. The franchise fee revenue increase of \$148,089 and public utility tax revenue of \$144,246 are due to an increase in usage of utilities within the City. Shared revenues increase of \$106,390 and \$65,104 in operating grant revenues plus other income of \$53,630 and property tax increase of \$41,258 all contributed to the increase in revenues for the year. The City experienced an 18.4% increase in total expenses – a \$996,877 increase to \$6.4 million. The increase is primarily due to a \$65,610 increase in expenses for general government, \$501,842 increase in public safety, \$378,139 increase in transportation expense, \$43,186 increase in physical environment, and \$8,100 in economic environment. The combined increase of revenues with the offset of increased expenses resulted in an increase in net position of \$2,826,289.

### 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 12,241,827, an increase of \$1,087,194 in comparison with the prior year. Approximately 79% of this total amount \$9,638,487, constitutes unassigned fund balance, which is available for spending at the government's discretion. Assigned fund balances include \$1,153,575 for subsequent year's expenditures and \$54,873 for community development expenditures. Public facilities fund balance of \$1,330,817 and non-major fund balance of \$21,949 for law enforcement are restricted funds based on their specific stipulated purpose. The remainder of the fund balance is non-spendable inventory of \$42,126.

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 \$10,802,007 while total fund balance was \$12,174,950. 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 133% and 150% respectively of total general fund expenditures.

### **General Fund Budgetary Highlights**

Intergovernmental revenues was budgeted at \$3,097,000 but actual was \$4,530,344 due to the timing of when American Rescue Plan Act funds were spent and therefore recognized as revenue. The amount appropriated for expenditures in the original 22/23 budget decreased from \$9,466,117 to \$8,622,271 in the final 22/23 budget. Actual (on a budgetary basis) expenditures of \$8,193,824 were less than the budgeted expenditures by \$428,447. The decrease in budgeted police public safety expenses, transportation expenses, physical environment, general government and capital outlay expenses 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, 2023, amounted to \$9,179,395, (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, and construction in progress. During the year, the City's capital asset balance increased by \$1,542,384, net of depreciation expense of \$709,556.

The City's major additions of \$2,251,940 to capital assets during the current fiscal year included the following:

- Infrastructure projects, including:
  - Completion of Cattleman's Square
  - Completion of SE 4<sup>th</sup> Street Drainage Project
- Resurfacing and extension of life for portions of NW 3<sup>rd</sup> Avenue, SE 10<sup>th</sup> Street, and SW 21<sup>st</sup> Street
- Replacement computers (1) Clerk office and (2) -Police Department; Added TRACS Accident and Citation Software
- Replacement Dispatch consoles for communications
- Replacement mobile and portable radios (64) for Police and Public Works
- Impact Stormwater Cleaner Truck
- Ford F250 Super Duty Truck
- Diesel Fuel Pump/Dispenser
- Construction in Progress including:
  - City hall hardening project
  - Kayak Launch located at Centennial Park
  - Primitive Baptist Church Restoration
  - SE 8<sup>th</sup> Drainage Project
  - SE 4th Street Stormwater Drainage
- Veterans Monument

**City of Okeechobee, Florida**  
**Management's Discussion and Analysis**

- Endcaps with landscaping for South Park Street
- Tractor with arm attachment.
- Tasers (1) including harnesses, etc.
- Picnic tables, trash receptacles purchased for city parks
- Completion of Stormwater System GIS Mapping
- Chamber of Commerce Building carpeting

**City's Capital Assets**  
(net of depreciation)

	<b>2023</b>	<b>2022</b>
Land	\$ 1,435,648	\$ 1,435,648
Construction in progress	66,937	151,898
Buildings	1,011,217	1,089,269
Improvements other than buildings	4,691,016	3,750,547
Equipment	1,974,577	1,209,649
<b>Total</b>	<b>\$ 9,179,395</b>	<b>\$ 7,637,011</b>

Additional information on the City's capital assets can be found in Note 3.C. on page 40 and 41 of this report.

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

The City Council adopted a millage rate of 6.3556 for budget year 2024. The adopted millage rate is the 2.84% more than the roll-back rate of 6.1801. A \$139,248 increase in budgeted ad valorem revenue is largely due to the increase in new construction added to this year's assessed tax rolls and increase in taxable values from the prior year.

Revenues for the fiscal year 2024 adopted budget for all funds of the City total approximately \$12,490,021, an increase from the prior year final budget of approximately \$3,543,631. These revenues include the General, Public Facility, Capital Projects, Grant and Special Law Enforcement fund revenues.

The change in revenue is based on the expected increase in grant revenue of \$3,509,246. Other expected increases in revenues, ad valorem Tax revenue, intergovernmental revenue, and charges for services revenue. However, an expected decrease in fines, forfeitures revenues offsets the budgeted increase.

## **City of Okeechobee, Florida Management's Discussion and Analysis**

Expenditures for the fiscal year 2024 adopted budgets for all funds of the City total approximately \$13,760,270, an increase of 60% or \$5,137,999 from the prior year final budget. The increase in expenditure is based mostly on the increase in budgeted expenditures in capital grant projects, public safety, and transportation. With a minimal increase in budgeted general governmental services.

### **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, 2023*

<b>ASSETS</b>	
Cash and cash equivalents	\$ 6,379,992
Investments	7,521,184
Accounts receivable	163,468
Due from other governments	302,238
Inventory	42,126
Capital assets:	
Nondepreciable	
Land	1,435,648
Construction in progress	66,937
Depreciable, net of accumulated depreciation	
Buildings	1,011,217
Improvements other than buildings	4,691,016
Equipment	1,974,577
Net pension asset	57,770
<b>Total assets</b>	<b>23,646,173</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows - pensions	3,448,485
<b>Total deferred outflows of resources</b>	<b>3,448,485</b>
<b>LIABILITIES</b>	
Accounts payable	349,362
Accrued expenses	170,587
Compensated absences - due within one year	42,518
Unearned revenue - American Rescue Plan Act	1,599,380
Noncurrent liabilities:	
Due in more than one year	
Compensated absences	315,341
OPEB liability	216,993
<b>Total liabilities</b>	<b>2,694,181</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows - business tax receipts	47,852
Deferred inflows - pensions	847,009
<b>Total deferred inflows of resources</b>	<b>894,861</b>
<b>NET POSITION</b>	
Net investment in capital assets	9,179,395
Restricted for:	
Law enforcement	21,949
Public facilities	1,330,817
Pension benefits	2,659,246
Unrestricted	10,314,209
<b>Total net position</b>	<b>\$ 23,505,616</b>

*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, 2023</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	\$ 652,830	\$ 226,451	\$ -	\$ -	\$ (426,379)
Public safety	3,542,202	196,751	34,792	-	(3,310,659)
Transportation	1,552,655	640,338	761,713	-	(150,604)
Physical environment	672,780	-	-	1,313,585	640,805
Economic environment	8,100	-	-	-	(8,100)
Total governmental activities	\$ 6,428,567	\$ 1,063,540	\$ 796,505	\$ 1,313,585	(3,254,937)
<b>General revenues:</b>					
					2,640,256
					1,037,208
					798,672
					992,122
					528,394
					84,574
					<b>6,081,226</b>
					<b>2,826,289</b>
					<b>20,679,327</b>
					<b>\$ 23,505,616</b>

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

**City of Okeechobee, Florida**  
**Balance Sheet - Governmental Funds**

<i>September 30, 2023</i>	General	Industrial Development Fund	Community Development Capital Project	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 6,126,896	\$ 139,726	\$ 31,757	\$ 81,613	\$ 6,379,992
Investments	7,521,184	-	-	-	7,521,184
Accounts receivable	163,393	-	-	75	163,468
Due from other funds	18,303	-	30,000	-	48,303
Due from other governments	302,238	-	-	-	302,238
Inventory	42,126	-	-	-	42,126
<b>Total assets</b>	<b>\$ 14,174,140</b>	<b>\$ 139,726</b>	<b>\$ 61,757</b>	<b>\$ 81,688</b>	<b>\$ 14,457,311</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 309,530	\$ -	\$ 6,884	\$ 32,948	\$ 349,362
Accrued expenses	170,587	-	-	-	170,587
Due to other funds	-	40,000	-	8,303	48,303
Unearned revenue	1,471,221	128,159	-	-	1,599,380
<b>Total liabilities</b>	<b>1,951,338</b>	<b>168,159</b>	<b>6,884</b>	<b>41,251</b>	<b>2,167,632</b>
Deferred inflows of resources:					
Deferred revenue - business tax receipts	47,852	-	-	-	47,852
Fund balances:					
Nonspendable for:					
Inventory	42,126	-	-	-	42,126
Restricted for:					
Public facilities	1,330,817	-	-	-	1,330,817
Law enforcement	-	-	-	21,949	21,949
Assigned for:					
Community development	-	-	54,873	-	54,873
Subsequent year's expenditures	1,153,575	-	-	-	1,153,575
Unassigned	9,648,432	(28,433)	-	18,488	9,638,487
<b>Total fund balances</b>	<b>12,174,950</b>	<b>(28,433)</b>	<b>54,873</b>	<b>40,437</b>	<b>12,241,827</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 14,174,140</b>	<b>\$ 139,726</b>	<b>\$ 61,757</b>	<b>\$ 81,688</b>	

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.	3,448,485
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.	(847,009)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	9,179,395
Net pension assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	57,770
Long-term liabilities, including the net OPEB obligation of \$216,993 and compensated absences of \$357,859 are not due and payable in the current period and, therefore, are not reported in the funds.	(574,852)
<b>Net position of governmental activities</b>	<b>\$ 23,505,616</b>

*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, 2023</i>	General	Industrial Development Fund	Community Development Capital Project	Nonmajor Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 3,665,950	\$ -	\$ -	\$ -	\$ 3,665,950
Intergovernmental	4,530,244	-	-	-	4,530,244
Charges for services	805,484	-	-	-	805,484
Permits and fees	938,499	-	-	-	938,499
Fines and forfeitures	60,883	-	-	3,612	64,495
Investment earnings	528,394	-	-	-	528,394
Miscellaneous	51,684	-	-	-	51,684
<b>Total revenues</b>	<b>10,581,138</b>	<b>-</b>	<b>-</b>	<b>3,612</b>	<b>10,584,750</b>
<b>Expenditures</b>					
Current:					
General government	1,601,455	-	-	-	1,601,455
Public safety	3,777,001	-	-	-	3,777,001
Transportation	1,539,866	-	-	-	1,539,866
Physical environment	283,406	35,788	-	8,100	327,294
Capital outlay	930,207	1,277,797	6,884	37,052	2,251,940
<b>Total expenditures</b>	<b>8,131,935</b>	<b>1,313,585</b>	<b>6,884</b>	<b>45,152</b>	<b>9,497,556</b>
Excess (deficiency) of revenues over (under) expenditures	2,449,203	(1,313,585)	(6,884)	(41,540)	1,087,194
<b>Other financing sources (uses)</b>					
Transfers in	-	1,313,585	-	63,640	1,377,225
Transfers out	(1,377,225)	-	-	-	(1,377,225)
<b>Total other financing sources (uses)</b>	<b>(1,377,225)</b>	<b>1,313,585</b>	<b>-</b>	<b>63,640</b>	<b>-</b>
Net change in fund balances	1,071,978	-	(6,884)	22,100	1,087,194
Fund balances, beginning of year	11,102,972	(28,433)	61,757	18,337	11,154,633
Fund balances, end of year	\$ 12,174,950	\$ (28,433)	\$ 54,873	\$ 40,437	\$ 12,241,827

*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, 2023*

Net change in fund balances - total governmental funds	\$	<b>1,087,194</b>
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital assets used in government activities are not financial resources and, therefore, are not reported in the funds.</p>		
Capital outlay	\$	2,251,940
Depreciation expense		(709,556)
		<b>1,542,384</b>
<p>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.</p>		
		<b>162,281</b>
<p>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.</p>		
		<b>41,547</b>
<p>Compensated absences are reported in the statement of activities when earned. Only compensated absences that require the use of current financial resources are reported as expenditures in the governmental funds. This is the difference between the two.</p>		
		<b>(7,117)</b>
<p>Change in net position of governmental activities</p>		
	\$	<b>2,826,289</b>

*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, 2023</i>	<b>Pension Trust Funds</b>
<b>ASSETS</b>	
Cash equivalents	\$ 236,572
Investments:	
Mutual funds	19,490,952
Receivables	200,683
Prepaid expenses	1,478
<b>Total assets</b>	<b>19,929,685</b>
<b>LIABILITIES</b>	
Accounts payable	34,110
<b>Total liabilities</b>	<b>34,110</b>
<b>NET POSITION</b>	
Restricted for pension benefits	\$ 19,895,575

*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, 2023</i>	<b>Pension Trust Funds</b>
<b>ADDITIONS</b>	
Contributions:	
State	\$ 181,506
City	73,557
Employees	144,991
Total contributions	400,054
Investment earnings:	
Net appreciation in the fair value of investments	1,726,235
Interest and dividends	622,002
Total investment earnings	2,348,237
Less investment expenses	(67,150)
Net investment gain	2,281,087
Total additions	2,681,141
<b>DEDUCTIONS</b>	
Benefits paid to participants	866,441
Refunds on termination	20,907
DROP payments	268,238
Administrative expenses	185,375
Total deductions	1,340,961
<b>Change in net position</b>	<b>1,340,180</b>
<b>Net position, beginning of year</b>	<b>18,555,395</b>
<b>Net position, end of year</b>	<b>\$ 19,895,575</b>

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

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**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 2023 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 activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities 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 *Industrial Development fund* accounts for all financial resources used for infrastructure construction, improvement and equipment purchases.

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 program revenues. Therefore, general revenue includes 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, Cash Equivalents 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, Cash Equivalents 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, 2023 was 6.8987 mills, which is 11.63% 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 \$847,009, and total deferred outflows were \$3,448,485 for the year ended September 30, 2023. Note 4-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. Unearned Revenue**

Unearned revenue recorded on the governmental fund balance sheet represents amounts received before eligibility requirements are met.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**9. 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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**9. Fund Equity (Continued)**

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.

**10. 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.

**11. 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*.

**12. 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.

**13. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 8, 2024, see Note 5. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**14. Recently Issued and Implemented Accounting Pronouncements**

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. There were no significant impacts of implementing this Statement.

In May 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement are to address financial reporting issues that result from the replacement of an Interbank Offered Rate (IBOR) by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment and clarification of the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; replacing LIBOR as an appropriate benchmark interest rate for the evaluation of the effectiveness of an interest rate swap with a Secured Overnight Financing Rate or the Effective Federal Funds Rate; and providing exceptions to the lease modifications guidance in Statement 87 for lease contracts that are amended solely to replace an IBOR used to determine variable payments. As of July 1, 2023, derivative instruments that hedge the interest rate risk of taxable debt and use an IBOR as a reference rate are no longer eligible for hedge accounting. There were no significant impacts of implementing this Statement.

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement. There were no significant impacts of implementing this Statement.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**14. Recently Issued and Implemented Accounting Pronouncements (Continued)**

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 100, *Accounting Changes and Error Corrections*, this Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, *Compensated Absences*, The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

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

**Note 2: 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 3: DETAILED NOTES ON ALL FUNDS**

**A. DEPOSITS AND INVESTMENTS**

As of September 30, 2023, \$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).

**Note 3: DETAILED NOTES ON ALL FUNDS (Continued)**

**A. DEPOSITS AND INVESTMENTS (Continued)**

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.

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, 2023.

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.

**Note 3: DETAILED NOTES ON ALL FUNDS (Continued)**

**A. DEPOSITS AND INVESTMENTS (Continued)**

At September 30, 2023, 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)	\$ 7,521,184	\$ 7,521,184	\$ -	\$ -	\$ -	AAAm	S&P	-
Primary government total	\$ 7,521,184	\$ 7,521,184	\$ -	\$ -	\$ -			
Pension trust funds:								
Mutual funds- equities	\$ 11,793,052	\$ -	\$ -	\$ 11,793,052	\$ -	Not rated	-	L1
Mutual funds- fixed income	7,697,900	-	-	7,697,900	-	BBB - AA	S&P	L2
	19,490,952	\$ -	\$ -	\$ 19,490,952	\$ -			
Cash Equivalents, at amortized cost								
Money Market Fund	236,572							
Total Cash Equivalents, at cost	236,572							
Pension trust fund total	\$ 19,727,524							

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.

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.

**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 3: DETAILED NOTES ON ALL FUNDS (Continued)**

**B. RECEIVABLES**

Receivables as of September 30, 2023 are as follows:

	General Fund	Law Enforcement Special Revenue Fund	Municipal Police Officers' Pension Trust	Municipal Firefighters' Pension Trust	General Employees Pension Trust
Franchise/Utility taxes	\$ 152,476	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	113,849	77,569	9,265
Other	11,009	75	-	-	-
<b>Receivables, net</b>	<b>\$ 163,393</b>	<b>\$ 75</b>	<b>\$ 113,849</b>	<b>\$ 77,569</b>	<b>\$ 9,265</b>

**C. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 1,435,648	\$ -	\$ -	\$ -	\$ 1,435,648
Construction in progress	151,898	66,937	-	(151,898)	66,937
<b>Total capital assets, not being depreciated</b>	<b>1,587,546</b>	<b>66,937</b>	<b>-</b>	<b>(151,898)</b>	<b>1,502,585</b>
Capital assets, being depreciated:					
Buildings	2,481,722	-	-	-	2,481,722
Improvements other than buildings	8,693,438	1,166,903	-	148,603	10,008,944
Equipment	3,162,890	1,018,100	-	3,295	4,184,285
<b>Total capital assets, being depreciated</b>	<b>14,338,050</b>	<b>2,185,003</b>	<b>-</b>	<b>151,898</b>	<b>16,674,951</b>
Less accumulated depreciation for:					
Buildings	(1,392,453)	(78,052)	-	-	(1,470,505)
Improvements other than buildings	(4,942,891)	(375,037)	-	-	(5,317,928)
Equipment	(1,953,241)	(256,467)	-	-	(2,209,708)
<b>Total accumulated depreciation</b>	<b>(8,288,585)</b>	<b>(709,556)</b>	<b>-</b>	<b>-</b>	<b>(8,998,141)</b>
<b>Total capital assets, being depreciated, net</b>	<b>6,049,465</b>	<b>1,475,447</b>	<b>-</b>	<b>151,898</b>	<b>7,676,810</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 7,637,011</b>	<b>\$ 1,542,384</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,179,395</b>

**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 3: DETAILED NOTES ON ALL FUNDS (Continued)**

**C. CAPITAL ASSETS (Continued)**

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

Governmental activities:	
General government	\$ 140,566
Public safety	184,235
Physical environment	384,755
<u>Total depreciation expense - governmental activities</u>	<u>\$ 709,556</u>

**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 Special Revenue fund of \$8,303 and of \$10,000 from the Industrial Development fund, and a due to the Community Development Capital Projects fund from the Industrial Development fund of \$30,000.

	<u>Due from:</u>		
	Nonmajor Funds	Industrial Development Fund	Total
Due to:			
General Fund	\$ 8,303	\$ 10,000	\$ 18,303
Community Development Capital Project	-	30,000	30,000
<u>Total</u>	<u>\$ 8,303</u>	<u>\$ 40,000</u>	<u>\$ 48,303</u>

**E. CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Compensated absences	\$ 350,742	\$ 217,699	\$ (210,582)	\$ 357,859	\$ 42,518
Net OPEB liability	258,540	27,730	(69,277)	216,993	-
<u>Long-term liabilities</u>	<u>\$ 609,282</u>	<u>\$ 245,429</u>	<u>\$ (279,859)</u>	<u>\$ 574,852</u>	<u>\$ 42,518</u>

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

**Note 4: 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.

**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, 2023, the Police Officers’ plan included 12 retirees or beneficiaries either receiving or entitled to receive benefits, plus 3 survivor beneficiaries. The Police Officers’ plan also includes 2 terminated members with vested benefits, and has 2 DROP participants. There are 21 active current employees of which 6 are vested and 15 are non-vested.

At September 30, 2023, the Firefighters’ plan included 8 retirees receiving or entitled to receive benefits, plus 1 beneficiary receiving benefits. The Plan has no DROP participants. There are no active current employees who are vested. The Plan has 4 terminated members with vested benefits.

*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 3.0% for the Police Officers’ plan and 79.4% for the Firefighters’ plan.

**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

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 \$103,937 and \$77,569, respectively. These contributions are funded by an excise tax upon certain casualty insurance companies on their gross receipts of premiums from policy holders.

The City and employees contributions for the year ended September 30, 2023, are as follows:

		City		Employees
Police Officers'	\$	38,602	\$	63,770
Firefighters'	\$	-	\$	13,566

*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, 2023, and the current target and actual allocation of these investments at market, per the performance analysis report, is as follows as of September 30, 2023:

Police Officers'		
	Actual	Target
Investments	Percent	Percent
Domestic Equity	49.1%	50.0%
International Equity	10.2%	10.0%
Fixed Income	39.9%	40.0%
Cash Equivalents	0.8%	0.0%
Total	100.0%	100.0%

Firefighters'		
	Actual	Target
Investments	Percent	Percent
Domestic Equity	44.3%	50.0%
International Equity	15.1%	10.0%
Fixed Income	39.2%	40.0%
Cash Equivalents	1.4%	0.0%
Total	100.0%	100.0%

**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

*Money-Weighted Rate of Return* - For the year ended September 30, 2023, the annual money-weighted rate of return on the Police Officers' pension plan investments was 12.69% and on the Firefighters' pension plan investments was 13.22%. 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.

*Net Pension Liability (Asset)* – The City's net pension liability (asset) was measured as of September 30, 2022, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of September 30, 2023 for the Police Officers' and Firefighters' pension plan.

<b>Total Pension Liability</b>	Police Officers'	Firefighters'
Service cost	\$ 300,327	\$ 18,570
Interest	642,970	225,789
Difference between actual & expected experience	(69,960)	(254,300)
Benefit payments, including refunds	(377,386)	(548,385)
Net change in total pension liability	495,951	(558,326)
Total pension liability - beginning	9,333,222	4,278,589
<b>Total pension liability - ending (a)</b>	<b>\$ 9,829,173</b>	<b>\$ 3,720,263</b>

<b>Plan Fiduciary Net Position</b>	Police Officers'	Firefighters'
Contributions - employer (from City)	\$ 70,877	\$ 569
Contributions - employer (from State)	89,462	39,083
Contributions - members	54,837	249
Net investment income	(2,340,675)	(1,079,229)
Benefit payments, including refunds	(377,386)	(548,385)
Administrative expense	(55,854)	(44,389)
Net change in plan fiduciary net position	(2,558,739)	(1,632,102)
Plan fiduciary net position - beginning	12,045,012	5,639,241
<b>Plan fiduciary net position - ending (b)</b>	<b>9,486,273</b>	<b>4,007,139</b>

<b>Net pension liability (asset) - Ending (a) - (b)</b>	<b>\$ 342,900</b>	<b>\$ (286,876)</b>
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Plan fiduciary net position as a percentage or Total Pension Liability (Asset)	96.51%	107.71%
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**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

For the year ending September 30, 2023, the City recognized a pension expense (income) of \$292,254 for the Police Officers’ Plan and \$(285,573) for the Firefighters’ Plan. On September 30, 2023, the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Police Officers'	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 184,973
Change in assumptions	-	118,110
Net difference between projected and actual earnings on pension plan investments	1,648,432	-
Contributions subsequent to the measurement date	142,539	-
<b>Total</b>	<b>\$ 1,790,971</b>	<b>\$ 303,083</b>

	Firefighters'	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 5,125	\$ 284,678
Change in assumptions	613	62,269
Net difference between projected and actual earnings on pension plan investments	700,601	-
Contributions subsequent to the measurement date	77,569	-
<b>Total</b>	<b>\$ 783,908</b>	<b>\$ 346,947</b>

Deferred outflows relating to subsequent contributions of \$142,539 and \$77,569 for the Police Officers’ and Firefighters’ Pension Plans, respectively will be recognized as a reduction in net pension liability in the fiscal year ending September 30, 2023.

**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

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:	
2024	\$ 246,765
2025	204,844
2026	320,082
2027	583,308
2028	(9,650)
Total	\$ 1,345,349

Firefighters'	
Year ended September 30:	
2024	\$ 2,718
2025	36,353
2026	104,649
2027	241,182
2028	(25,510)
Total	\$ 359,392

*Net Pension Liability of the City of Okeechobee* – The components of the net pension liability of the City at September 30, 2023, 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, 2022 which is allowed by GASB Statement No. 68.

	Police	Fire
Total pension liability	\$ 9,528,258	\$ 3,414,437
Plan fiduciary net position	(10,176,710)	(4,307,710)
City's net pension liability (asset)	\$ (648,452)	\$ (893,273)

Plan fiduciary net position as a		
percentage of total pension liability (asset)	106.81%	126.16%

*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 5.6% projected long-term real rate of return net of investment expenses.

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

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, 2023 are summarized as follows:

Police Officers'		
	Percent	Long-Term
Investments	Target	Rate of Return*
Domestic Equity	50.0%	7.5%
International Equity	10.0%	8.5%
Fixed Income	40.0%	2.5%
Real Estate	0.0%	4.5%
Cash Equivalents	0.0%	0.0%
<b>Total</b>	<b>100.0%</b>	

\*Net of long-term inflation assumption of 2.5%

Firefighters'		
	Percent	Long-Term
Investments	Target	Rate of Return*
Domestic Equity	50.0%	7.5%
International Equity	10.0%	8.5%
Domestic Fixed Income	40.0%	2.5%
Global Fixed Income	0.0%	3.5%
Cash Equivalents	0.0%	0.0%
<b>Total</b>	<b>100.0%</b>	

\*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 for Police Officers' Pension:

**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 4: OTHER INFORMATION (Continued)**

**B. 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)	\$ (459,326)	\$ (648,452)	\$ (1,573,792)

The following presents the pension liability of the City, calculated using the discount rate of 6%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1% lower (5%) or 1% higher (7%) than the current rate for Firefighters' Pension:

	Firefighters'		
	1% Decrease	Current Discount	1% Increase
	5.00%	6.00%	7.00%
Sponsor's net pension liability (asset)	\$ (455,287)	\$ (893,273)	\$ (1,250,725)

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, 2023, the Plan included 20 retirees and/or beneficiaries currently receiving benefits plus 5 terminated employees entitled to benefits but not yet receiving them, and 3 DROP participant. There are 30 active current employees in the Plan, of which 10 are vested and 20 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 3.1% of covered payroll. The City's contributions for the year ended September 30, 2023, was \$34,955, which agreed to the actuarially required contribution for the year of \$34,955.

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

*Net Pension Liability (Asset)* - For the year ending September 30, 2023, the City reported an asset of \$(113,794) for the Pension Plan's net pension (asset). The net pension liability (asset) was measured as of September 30, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of October 1, 2023.

	General	
<b>Total Pension Liability</b>		
Service cost	\$	185,154
Interest		333,968
Difference between actual & expected experience		(170,274)
Benefit payments, including refunds		(313,369)
Net change in total pension liability		35,479
Total pension liability - beginning		4,912,707
Total pension liability - ending (a)		4,948,186
<b>Plan Fiduciary Net Position</b>		
Contributions - employer (from City)		85,670
Contributions - members		69,461
Net investment income		(1,219,252)
Benefit payments, including refunds		(313,369)
Administrative expense		(42,586)
Net change in plan fiduciary net position		(1,420,076)
Plan fiduciary net position - beginning		6,482,056
Plan fiduciary net position - ending (b)		5,061,980
<b>Net pension liability (asset) - Ending (a) - (b)</b>	<b>\$</b>	<b>(113,794)</b>
 Plan fiduciary net position as a percentage of Total Pension Liability (Asset)		 102.30%

The City and employees contributions for the year ended September 30, 2023, are as follows.

		City		Employees
General	\$	34,955	\$	67,655

**Note 4: 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 12.37% for the year ended September 30, 2023. 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, 2023 the City recognized a pension expense of \$86,101 for the General Employees' Retirement Plan. On September 30, 2023, 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	\$	4,578	\$	177,308
Change in assumptions		-		19,671
Net difference between projected and actual earnings on pension plan investments		834,073		-
Contributions subsequent to the measurement date		34,955		-
<b>Total</b>	<b>\$</b>	<b>873,606</b>	<b>\$</b>	<b>196,979</b>

Deferred outflows relating to subsequent contributions of \$34,955 for the General Pension Plan will be recognized as a reduction in net pension liability in the fiscal year ending September 30, 2023.

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:		
2024	\$	108,491
2025		71,929
2026		150,260
2027		310,992
<b>Total</b>	<b>\$</b>	<b>641,672</b>

*Net Pension Liability of the City of Okeechobee* – The components of the net pension liability of the City at September 30, 2023, 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, 2022 which is allowed by GASB Statement No. 68.

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

		General
Total pension liability	\$	4,893,392
Plan fiduciary net position		(5,406,391)
City's net pension liability (asset)	\$	(512,999)

Plan fiduciary net position as a  
percentage of total pension liability (asset) 110.48%

*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	
Investments	Percent Actual	Percent Target
Domestic Equity	49.1%	50.0%
International Equity	10.2%	10.0%
Fixed Income	39.9%	40.0%
Cash Equivalents	0.8%	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, 2023 are summarized in the following table:

	General	
Investments	Percent Target	Long-Term Rate of Return*
Domestic Equity	50.0%	7.5%
International Equity	10.0%	8.5%
Fixed Income	40.0%	2.5%
Cash Equivalents	0.0%	0.0%
Total	100.0%	

\*Net of long-term inflation assumption of 2.5%

**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

*Discount Rate* - The discount rate used to measure the total pension liability was 6.75%. 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 6.75% 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 (5.75%) or one percentage point higher (7.75%) than the current rate:

	General 1% Decrease 5.75%	Current Discount 6.75%	1% Increase 7.75%
Sponsor's net pension liability (asset)	\$ 16,001	\$ (512,999)	\$ (959,220)

*Actuarial Assumptions* – The total pension liability was determined by an actuarial valuation as of October 1, 2023 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	6.00%	7.00%	6.75%
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 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

	Fire	Police	General
Mortality	<p>For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants postemployment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table/20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.</p>	<p>For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants postemployment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table/20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.</p>	<p>For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements.</p>

**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

Pension trust funds fiduciary net position activity as of September 30, 2023 was as follows:

	Firefighters' Pension	Police Officers' Pension	General Employees' Pension	Total Pension Trust Funds
<b>ASSETS</b>				
Cash equivalents	\$ 60,252	\$ 133,189	\$ 43,131	\$ 236,572
Investments:				
Mutual funds	4,186,793	9,941,412	5,362,747	19,490,952
Receivables	77,569	113,849	9,265	200,683
Prepaid expenses	-	-	1,478	1,478
<b>Total assets</b>	<b>4,324,614</b>	<b>10,188,450</b>	<b>5,416,621</b>	<b>19,929,685</b>
<b>LIABILITIES</b>				
Accounts payable	16,903	8,970	8,237	34,110
<b>Total liabilities</b>	<b>16,903</b>	<b>8,970</b>	<b>8,237</b>	<b>34,110</b>
<b>NET POSITION</b>				
Restricted for pension benefits	\$ 4,307,711	\$ 10,179,480	\$ 5,408,384	\$ 19,895,575

**City of Okeechobee, Florida**  
**Notes to Financial Statements**

**Note 4: OTHER INFORMATION (Continued)**

**B. RETIREMENT COMMITMENTS – DEFINED BENEFIT PLANS (Continued)**

Pension trust funds increase in fiduciary net position activity as of September 30, 2023 was as follows:

	Firefighters' Pension	Police Officers' Pension	General Employees' Pension	Total Pension Trust Funds
<b>ADDITIONS</b>				
Contributions				
State	\$ 77,569	\$ 103,937	\$ -	\$ 181,506
City	-	38,602	34,955	73,557
Employees	13,566	63,770	67,655	144,991
<b>Total contributions</b>	<b>91,135</b>	<b>206,309</b>	<b>102,610</b>	<b>400,054</b>
Investment earnings:				
Net depreciation in the fair value of investments	387,784	877,786	460,665	1,726,235
Interest and dividends	138,594	321,488	161,920	622,002
<b>Total investment earnings</b>	<b>526,378</b>	<b>1,199,274</b>	<b>622,585</b>	<b>2,348,237</b>
Less investment expenses	(22,750)	(23,150)	(21,250)	(67,150)
<b>Net investment gain</b>	<b>503,628</b>	<b>1,176,124</b>	<b>601,335</b>	<b>2,281,087</b>
<b>Total additions</b>	<b>594,763</b>	<b>1,382,433</b>	<b>703,945</b>	<b>2,681,141</b>
<b>DEDUCTIONS</b>				
Benefits paid to participants	231,868	397,518	237,055	866,441
Refunds on termination	-	-	20,907	20,907
DROP payments	-	233,034	35,204	268,238
Administrative expenses	62,325	58,674	64,376	185,375
<b>Total deductions</b>	<b>294,193</b>	<b>689,226</b>	<b>357,542</b>	<b>1,340,961</b>
<b>Change in net position</b>	<b>300,570</b>	<b>693,207</b>	<b>346,403</b>	<b>1,340,180</b>
<b>Net position, beginning of year</b>	<b>4,007,141</b>	<b>9,486,273</b>	<b>5,061,981</b>	<b>18,555,395</b>
<b>Net position, end of year</b>	<b>\$ 4,307,711</b>	<b>\$ 10,179,480</b>	<b>\$ 5,408,384</b>	<b>\$ 19,895,575</b>

**Note 4: 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 2 retirees receiving benefits and has a total of 53 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, 2023 totaled \$1,780.

**Plan membership.** Plan membership as of September 30, 2021 (the latest valuation date) was:

	Number of covered individuals
Inactive members currently receiving benefits	2
Inactive members entitled to but not yet receiving benefits	-
Active members	53
Total	55

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

Employer’s reporting date:	September 30, 2023
Measurement date:	September 30, 2022
Valuation date:	September 30, 2021

**Note 4: OTHER INFORMATION (Continued)**

**C. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)**

**Actuarial assumptions and other inputs.** On the September 30, 2022 measurement date, the actuarial assumptions and other inputs applied include the following:

Inflation	2.25 percent
Salary increases	6.00 percent
Discount rate	4.40 percent
Healthcare cost trend rates	6.00 percent for FY beginning 2022, 5.75 percent for FY beginning 2023 and then gradually decreasing to an ultimate trend of 3.75 percent
Mortality	Mortality tables used in the July 1, 2021 actuarial valuation of the Florida Retirement System for non-K-12 Instructional Regular Class members. These rates were taken from adjusted PUB-2010 mortality tables published by the Society of Actuaries with generational mortality improvements using Scale MP-2018. Adjustments to referenced tables are based on the results of a statewide experience study covering the period 2013 through 2018.
Changes	Changes in assumptions and other inputs include the change in the discount rate from 2.19% as of the beginning of the measurement period to 4.40% as of September 30, 2022. This change is reflected in the Schedule of Changes in Total OPEB Liability.

There were no benefit changes during the year.

**Change in Total OPEB Liability**

	Increase (Decrease)
	Total OPEB Liability (a)
Balance as of September 30, 2022	\$ 258,540
Changes for the year:	
Service cost	22,010
Interest	5,720
Changes in assumptions and other inputs	(30,595)
Benefit payments	(38,682)
Net changes	(41,547)
Balance as of September 30, 2023	\$ 216,993

**Note 4: 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 4.40%, 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 (3.40%) or one percentage point higher (5.40%) than the current rate:

	1% Decrease (3.40%)	Current Discount Rate (4.40%)	1% Increase (5.40%)
Total OPEB Liability	\$ 231,708	\$ 216,993	\$ 202,335

The following table represents the City’s total OPEB liability calculated using the ultimate health care cost trend rate of 3.75%, 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 (2.75%) or one percentage point higher (4.75%) than the current rate:

	1% Decrease (2.75%)	Ultimate Trend (3.75%)	1% Increase (4.75%)
Total OPEB Liability	\$ 194,161	\$ 216,993	\$ 244,453

**D. 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 5: SUBSEQUENT EVENTS**

Management evaluated all events or transactions that occurred after September 30, 2023 through April 8, 2024, the date the current year's financial statements were available to be issued. The following events occurred:

- Approval to sell two parcels of land for \$420,000 and \$140,000
- Approval of police/fire pension plan merger
- Grant award of \$1,200,000 from State of Florida Department of Commerce
- Grant award of \$334,951 is extended from FDOT Small County Outreach Program Grant

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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, 2023</i>	Original Budget	Final Budget	Actual (on Budgetary Basis)	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 3,311,716	\$ 3,624,900	\$ 3,665,950	\$ 41,050
Intergovernmental	2,907,051	3,097,000	4,530,244	1,433,244
Charges for services	706,700	794,500	805,484	10,984
Permits and fees	681,600	866,800	938,499	71,699
Fines and forfeitures	40,200	53,290	60,883	7,593
Investment earnings	11,200	434,300	528,394	94,094
Miscellaneous	4,600	75,600	51,684	(23,916)
<b>Total revenues</b>	<b>7,663,067</b>	<b>8,946,390</b>	<b>10,581,138</b>	<b>1,634,748</b>
<b>Expenditures</b>				
Current:				
General government:				
Legislative	182,766	154,266	150,914	3,352
Executive	265,142	247,760	228,738	19,022
City clerk	323,086	302,500	295,716	6,784
Financial services	343,600	321,270	305,373	15,897
Legal council	188,900	114,100	113,280	820
General services	585,637	537,400	501,641	35,759
<b>Total general government</b>	<b>1,889,131</b>	<b>1,677,296</b>	<b>1,595,662</b>	<b>81,634</b>
Public safety:				
Fire	706,214	735,600	729,347	6,253
Police	3,220,258	3,165,800	3,064,417	101,383
<b>Total public safety</b>	<b>3,926,472</b>	<b>3,901,400</b>	<b>3,793,764</b>	<b>107,636</b>
Transportation	1,637,263	1,573,175	1,540,208	32,967
Physical environment	1,156,251	770,800	576,785	194,015
Capital outlay	857,000	699,600	687,405	12,195
<b>Total expenditures</b>	<b>9,466,117</b>	<b>8,622,271</b>	<b>8,193,824</b>	<b>428,447</b>
<b>Excess (deficiency) of revenues under (over) expenditures</b>	<b>(1,803,050)</b>	<b>324,119</b>	<b>2,387,314</b>	<b>2,063,195</b>
<b>Other financing sources (uses)</b>				
Operating transfers out	-	-	(1,377,225)	(1,377,225)
Net other financing sources (uses)	-	-	(1,377,225)	(1,377,225)
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)</b>	<b>(1,803,050)</b>	<b>324,119</b>	<b>1,010,089</b>	<b>685,970</b>
<b>Fund balances, beginning of year</b>	<b>11,102,972</b>	<b>11,102,972</b>	<b>11,102,972</b>	<b>-</b>
<b>Fund balances, end of year</b>	<b>\$ 9,299,922</b>	<b>\$ 11,427,091</b>	<b>12,113,061</b>	<b>\$ 685,970</b>
<b>Reconciliation of budgetary to GAAP basis</b>				
Current year encumbrances			357,631	
Prior year encumbrances			(295,742)	
<b>Fund balance on GAAP basis</b>			<b>\$ 12,174,950</b>	

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

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

**A. BUDGETARY INFORMATION**

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for all governmental fund. The Community Development Capital Projects fund is budgeted but the budget to actual is not required to be presented for the capital projects fund. 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 required 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 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.

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

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**City of Okeechobee, Florida**  
**Required Pension Supplementary Information**

	Police Officers'			
	2023*	2022*	2021*	2020*
<b>Total Pension Liability</b>				
Service cost	\$ 274,718	\$ 300,327	\$ 277,048	\$ 279,173
Interest	645,176	642,970	635,386	615,045
Difference between actual and expected experience	(589,604)	(69,960)	(48,536)	(76,855)
Assumption changes	-	-	-	(211,356)
Benefit payments	(631,205)	(377,386)	(630,299)	(557,786)
Refunds	-	-	-	-
Net change in total pension liability	(300,915)	495,951	233,599	48,221
Total pension liability - beginning	9,829,173	9,333,222	9,099,623	9,051,402
Total pension liability - ending (a)	9,528,258	9,829,173	9,333,222	9,099,623
<b>Plan Fiduciary Net Position</b>				
Contributions - employer (from City)	37,808	70,877	100,195	126,811
Contributions - employer (from State)	103,937	89,462	86,979	90,650
Contributions - members	62,446	54,837	56,261	53,051
Net investment income (loss)	1,176,125	(2,340,675)	1,980,592	1,170,587
Benefit payments	(631,205)	(372,018)	(623,923)	(542,324)
Refunds	-	(5,368)	(6,376)	(15,462)
Administrative expense	(58,674)	(55,854)	(41,277)	(41,667)
Other	-	-	(3,248)	(2,155)
Net change in plan fiduciary net position	690,437	(2,558,739)	1,549,203	839,491
Plan fiduciary net position - beginning	9,486,273	12,045,012	10,495,809	9,656,318
Plan fiduciary net position - ending (b)	10,176,710	9,486,273	12,045,012	10,495,809
Net pension liability (asset) - Ending (a) - (b)	\$ (648,452)	\$ 342,900	\$ (2,711,790)	\$ (1,396,186)
Plan fiduciary net position as a percentage of Total Pension Liability	106.81%	96.51%	129.06%	115.34%
Covered payroll**	\$ 1,248,920	\$ 1,097,275	\$ 1,125,784	\$ 1,061,193
Net pension liability (asset) as a percentage of covered payroll	-51.92%	31.25%	-240.88%	-131.57%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.

\* -The net pension liability (asset) recognized by the City in the current year financial statements represents the net position liability as of the immediately preceding year-end, which is allowed and became effective upon implementation of 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 10/1/2021, the valuation will use the mortality tables from the most recent FRS valuation as of 7/1/2021.

- 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.

**City of Okeechobee, Florida**  
**Required Pension Supplementary Information**

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

## City of Okeechobee, Florida Required Pension Supplementary Information

	Firefighters'			
	2023*	2022*	2021*	2020*
<b>Total Pension Liability</b>				
Service cost	\$ -	\$ 18,570	\$ 64,244	\$ 117,980
Interest	199,748	225,789	247,616	275,148
Benefit changes	-	-	268,575	(945)
Difference between actual & expected experience	(273,706)	(254,300)	(242,201)	(85,233)
Assumption changes	-	-	-	(96,526)
Benefit payments	(231,868)	(548,385)	(191,302)	(152,193)
Refund	-	-	-	-
Other	-	-	-	-
Net change in total pension liability	(305,826)	(558,326)	146,932	58,231
Total pension liability - beginning	3,720,263	4,278,589	4,131,657	4,073,426
Total pension liability - ending (a)	3,414,437	3,720,263	4,278,589	4,131,657
<b>Plan Fiduciary Net Position</b>				
Contributions - employer (from City)	11,909	569	43,576	86,196
Contributions - employer (from State)	77,569	39,083	45,578	52,670
Contributions - members	-	249	18,140	20,552
Net investment income (loss)	503,627	(1,079,229)	906,378	507,378
Benefit payments	(231,868)	(548,385)	(150,688)	(150,688)
Refunds	-	-	(40,614)	(1,505)
Administrative expense	(62,323)	(44,389)	(44,943)	(40,275)
Other	1,657	-	-	652
Net change in plan fiduciary net position	300,571	(1,632,102)	777,427	474,980
Plan fiduciary net position - beginning	4,007,139	5,639,241	4,861,814	4,386,834
Plan fiduciary net position - ending (b)	4,307,710	4,007,139	5,639,241	4,861,814
Net pension liability (asset) - Ending (a) - (b)	\$ (893,273)	\$ (286,876)	\$ (1,360,652)	\$ (730,157)
Plan fiduciary net position as a percentage of Total Pension Liability	126.16%	107.71%	131.80%	117.67%
Covered payroll**	-	4,990	367,446	411,033
Net pension liability (asset) as a percentage of covered payroll	N/A	-5749.02%	-370.30%	-177.64%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.

\* -The net pension liability (asset) recognized by the City in the current year financial statements represents the net position liability as of the immediately preceding year-end, which is allowed and became effective upon implementation of 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 10/1/2021, the valuation will use the mortality tables from the most recent FRS valuation as of 7/1/2021.

- 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.

**City of Okeechobee, Florida**  
**Required Pension Supplementary Information**

				Firefighters'							
2019*		2018*		2017	2016	2015	2014				
\$	145,856	\$	136,825	\$	156,989	\$	156,107	\$	144,773	\$	130,539
	271,341		257,407		255,218		235,684		213,154		196,106
	(132,896)		(162,443)		(91,659)		56,393		(19,771)		(741)
	-		-		(13,449)		-		49,797		-
	(141,381)		(107,105)		(106,572)		(102,590)		(96,939)		(142,060)
	(9,052)		(16,027)		(20,437)		-		-		-
	-		19,828		-		3,256		-		-
	133,868		128,485		180,090		348,850		291,014		183,844
	3,939,558		3,811,073		3,630,983		3,282,133		2,991,119		2,807,275
	4,073,426		3,939,558		3,811,073		3,630,983		3,282,133		2,991,119
	83,988		115,253		107,123		97,709		92,863		82,058
	52,810		52,793		50,589		49,889		52,662		53,235
	23,945		23,446		25,409		27,433		26,324		23,854
	140,894		308,920		404,267		246,381		(44,021)		318,708
	(141,381)		(107,105)		(106,572)		(102,590)		(96,939)		(142,060)
	(9,052)		(16,027)		(20,437)		-		-		-
	(43,675)		(59,878)		(34,933)		(31,639)		(27,132)		(16,233)
	-		-		(6,375)		(1,766)		-		-
	107,529		317,402		419,071		285,417		3,757		319,562
	4,279,305		3,961,903		3,542,832		3,257,415		3,253,658		2,934,096
	4,386,834		4,279,305		3,961,903		3,542,832		3,257,415		3,253,658
\$	(313,408)	\$	(339,747)	\$	(150,830)	\$	88,151	\$	24,718	\$	(262,539)
	107.69%		108.62%		103.96%		97.57%		99.25%		108.78%
	478,900	\$	468,920	\$	508,180	\$	563,285	\$	523,119	\$	477,080
	-65.44%		-72.45%		-29.68%		15.65%		4.73%		-55.03%

**City of Okeechobee, Florida**  
**Required Pension Supplementary Information**

General Employees'

	2023*	2022*	2021*
<b>Total Pension Liability</b>			
Service cost	\$ 162,179	\$ 185,154	\$ 207,835
Interest	318,751	333,968	333,141
Benefit changes	-	-	-
Difference between actual & expected experience	(291,560)	(170,274)	242
Assumption changes	49,002	-	-
Benefit payments	(293,166)	(218,611)	(354,969)
Refunds	-	(94,758)	-
Other ***	-	-	-
Net change in total pension liability	(54,794)	35,479	186,249
Total pension liability - beginning	4,948,186	4,912,707	4,726,458
Transfer of pension liability for Okeechobee Utility Authority *****	-	-	-
Total pension liability - ending (a)	4,893,392	4,948,186	4,912,707
<b>Plan Fiduciary Net Position</b>			
Contributions - employer	34,276	85,670	114,175
Contributions - members	66,341	69,461	73,581
Net investment income (loss)	601,336	(1,219,252)	1,108,894
Benefit payments	(293,166)	(218,611)	(354,969)
Refunds	-	(94,758)	-
Administrative expense	(64,376)	(42,586)	(44,184)
Other****	-	-	-
Net change in plan fiduciary net position	344,411	(1,420,076)	897,497
Plan fiduciary net position - beginning	5,061,980	6,482,056	5,584,559
Transfer plan fiduciary net position to Okeechobee Utility Authority*****	-	-	-
Plan fiduciary net position - ending (b)	5,406,391	5,061,980	6,482,056
Net pension liability (asset) - Ending (a) - (b)	\$ (512,999)	\$ (113,794)	\$ (1,569,349)
Plan fiduciary net position as a percentage of Total Pension Liability	110.48%	102.30%	131.94%
Covered payroll**	\$ 1,105,677	\$ 1,157,694	\$ 1,229,302
Net pension liability (asset) as a percentage of covered payroll	-46.40%	-9.83%	-127.66%

**City of Okeechobee, Florida**  
**Required Pension Supplementary Information**

		General Employees'				
		2020*	2019*	2018*	2017	2016
	\$	184,223	\$ 152,255	\$ 154,529	\$ 136,373	\$ 421,387
		315,828	295,453	284,633	91,058	763,785
		90,157			-	-
		2,277	(141,938)	20,956	-	(524,849)
		(47,772)	-	-	133,790	-
		(201,373)	(259,463)	(164,189)	(336,740)	(331,215)
		-	(346)	(16,592)	(17,378)	(18,267)
		-	-	-	2,641,019	-
		343,340	45,961	279,337	2,648,122	310,841
		4,383,118	4,337,157	4,057,820	1,409,698	11,400,112
		-	-	-	-	(10,301,255)
		4,726,458	4,383,118	4,337,157	4,057,820	1,409,698
		118,781	115,324	75,793	94,009	446,184
		76,693	66,020	60,312	56,405	183,145
		603,919	155,830	394,042	477,649	825,935
		(178,547)	(259,463)	(164,189)	(336,740)	(331,215)
		(22,826)	(346)	(16,592)	(17,378)	(18,267)
		(40,906)	(53,249)	(46,328)	(48,490)	(57,186)
		(652)	-	-	3,117,018	(2,208)
		556,462	24,116	303,038	3,342,473	1,046,388
		5,028,097	5,003,981	4,700,943	1,358,470	10,238,992
		-	-	-	-	(9,926,910)
		5,584,559	5,028,097	5,003,981	4,700,943	1,358,470
	\$	(858,101)	\$ (644,979)	\$ (666,824)	\$ (643,123)	\$ 51,228
		118.16%	114.72%	115.37%	115.85%	96.37%
	\$	1,278,231	\$ 1,100,333	\$ 1,005,204	\$ 940,083	\$ 911,233
		-67.13%	-58.62%	-66.34%	-68.41%	5.62%

## City of Okeechobee, Florida Required Pension Supplementary Information

### Schedule of Changes in Net Pension Liability and Related Ratios

Note: This schedule is presented to illustrate the requirement to show information for 10 years.

\* The net pension liability (asset) recognized by the City in the current year financial statements represents the net position liability as of the immediately preceding year-end, which is allowed and became effective upon implementation of 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 10/1/2021, the valuation will use the mortality tables from the most recent FRS valuation as of 7/1/2021.

- 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.

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**City of Okeechobee, Florida**  
**Required Pension Supplementary Information**

**Schedule of Contributions**  
**Last Ten Fiscal Years**

	Police Officers'			
	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Actuarially determined contributions	\$ 121,936	\$ 158,267	\$ 185,025	\$ 192,448
Contributions in relation to the actuarially determined contributions	141,745	160,339	187,174	217,461
Contribution deficiency (excess)	\$ (19,809)	\$ (2,072)	\$ (2,149)	\$ (25,013)
Covered payroll*	\$ 1,248,920	\$ 1,097,275	\$ 1,125,784	\$ 1,061,193
Contributions as a percentage of covered payroll	11.35%	14.61%	16.63%	20.49%
	Firefighters'			
	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Actuarially determined contributions	\$ 45,922	\$ 46,153	\$ 104,102	\$ 157,372
Contributions in relation to the actuarially determined contributions	89,478	39,652	89,154	138,866
Contribution deficiency (excess)	\$ (43,556)	\$ 6,501	\$ 14,948	\$ 18,506
Covered payroll*	\$ -	\$ 4,990	\$ 367,446	\$ 411,033
Contributions as a percentage of covered payroll	N/A	794.63%	24.26%	33.78%
	General Employees'			
	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Actuarially determined contributions	\$ 34,276	\$ 85,670	\$ 114,325	\$ 118,875
Contributions in relation to the actuarially determined contributions	34,276	85,670	114,175	118,781
Contribution deficiency (excess)	\$ -	\$ -	\$ 150.00	\$ 94
Covered payroll	\$ 1,105,677	\$ 1,157,694	\$ 1,229,302	\$ 1,278,231
Contributions as a percentage of covered payroll	3.10%	7.40%	9.29%	9.29%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.

\* 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%.

**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	
\$ 204,611	\$ 212,571	\$ 251,591	\$ 219,093	\$ 263,240	\$ 267,849	
221,039	233,182	248,448	221,272	263,388	267,849	
\$ (16,428)	\$ (20,611)	\$ 3,143	\$ (2,179)	\$ (148)	\$ -	
\$ 1,007,180	\$ 924,250	\$ 917,260	\$ 970,646	\$ 911,189	\$ 862,700	
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	
\$ 139,143	\$ 167,871	\$ 170,269	\$ 143,632	\$ 138,914	\$ 122,212	
136,798	168,046	157,712	147,598	145,525	135,293	
\$ 2,345	\$ (175)	\$ 12,557	\$ (3,966)	\$ (6,611)	\$ (13,081)	
\$ 478,900	\$ 468,920	\$ 508,180	\$ 563,285	\$ 523,119	\$ 477,080	
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	
\$ 114,875	\$ 75,793	\$ 42,774	\$ 49,115	\$ 379,111	\$ 379,099	
115,324	75,793	94,009	110,448	379,111	379,099	
\$ (449)	\$ -	\$ (51,235)	\$ (61,333)	\$ -	\$ -	
\$ 1,100,333	\$ 1,005,204	\$ 940,083	\$ 911,233	\$ 3,135,961	\$ 2,945,717	
10.48%	7.54%	10.00%	12.12%	12.09%	12.87%	

**City of Okeechobee, Florida**  
**Required Pension Supplementary Information**

Police Officers'				
	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Annual money-weighted rate of return net of investment expense	12.69%	-20.10%	18.76%	11.78%

Fire Fighters'				
	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Annual money-weighted rate of return net of investment expense	13.22%	-20.53%	19.30%	10.61%

General Employees'				
	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Annual money-weighted rate of return net of investment expense	12.37%	-19.81%	19.17%	11.37%

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.

**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
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
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
2.23%	7.55%	9.78%	7.78%	-1.38%	10.60%

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

<b>Year Ending September 30,</b>	<b>2023</b>		<b>2022</b>		<b>2021</b>	
<b>Total OPEB liability</b>						
Service cost	\$	22,010	\$	23,718	\$	20,845
Interest		5,720		5,415		5,582
Difference between expected and actual experience		-		58,331		-
Changes of assumptions or other inputs		(30,595)		(23,809)		4,218
Benefit payments		(38,682)		(12,183)		(11,458)
<b>Net change in total OPEB liability</b>		<b>(41,547)</b>		<b>51,472</b>		<b>19,187</b>
<b>Total OPEB liability - beginning</b>		<b>258,540</b>		<b>207,068</b>		<b>187,881</b>
<b>Total OPEB liability - ending</b>	\$	<b>216,993</b>	\$	<b>258,540</b>	\$	<b>207,068</b>

<b>Covered employee payroll</b>	\$	2,428,727	\$	2,472,843	\$	3,359,887
<b>Total OPEB liability as a percentage of covered employee payroll</b>		8.93%		10.46%		6.16%

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

\* The following discount rate was used in each period:

9/30/2018 - 3.50%  
9/30/2019 - 3.83%  
9/30/2020 - 2.75%  
9/30/2021 - 2.41%  
9/30/2022 - 2.19%  
9/30/2023 - 4.40%

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

	<b>2020</b>	<b>2019</b>	<b>2018</b>
\$	12,015	\$	12,580
	6,320		5,640
	6,792	-	-
	14,710	(4,290)	(3,808)
	(9,915)	(9,081)	(17,198)
	29,922	4,849	(2,588)
	157,959	153,110	155,698
\$	187,881	\$	157,959
		\$	153,110

\$ 3,041,518    \$ 2,984,722    \$ 2,809,503

6.18%                      5.29%                      5.45%

**City of Okeechobee, Florida**  
**Notes to Required Supplementary Information**

**A. ADDITIONAL ACTUARIAL INFORMATION**

Valuation Date: 10/01/2022

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 Employees' 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%	6.00%	6.75%
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, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.	For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.	For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

**City of Okeechobee, Florida**  
**Notes to Required Supplementary Information**

	Police Officers' Pension Plan	Firefighters' Pension Plan	General Employees' Pension Plan
Mortality (Continued):	For healthy participants postemployment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table/20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.	For healthy participants postemployment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table/20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.	For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Okeechobee, Florida, (the “City”), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated April 8, 2024.

Other auditors audited 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, 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.

**Report on Internal Control over Financial Reporting**

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

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

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

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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  
April 8, 2024



## **INDEPENDENT AUDITOR’S MANAGEMENT LETTER**

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

### **Report on the Financial Statements**

We have audited the financial statements of the City of Okeechobee, Florida, (the “City”) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated April 8, 2024.

### **Auditor’s Responsibility**

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

### **Other Reporting Requirements**

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated April 8, 2024, 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 financial audit report. No findings and recommendations were made in the preceding annual financial audit report.

### **Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority of the City 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 met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida 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. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and 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 note any such findings.

## **Purpose of this Letter**

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

*Carr, Rigg & Ingram, L.L.C.*

Melbourne, Florida  
April 8, 2024



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## **INDEPENDENT ACCOUNTANT’S 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 (the “City”) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. Management is responsible for the City’s compliance with the specified requirements. Our responsibility is to express an opinion on the City’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 complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including as 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.

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

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

In our opinion, the City complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2023.

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

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

Melbourne, Florida  
April 8, 2024



**City of Okeechobee, Florida**

**REQUIRED COMMUNICATIONS**

September 30, 2023





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April 8, 2024

Honorable Mayor and City Council  
City of Okeechobee, Florida  
55 S.E. Third Avenue  
Okeechobee, FL 34974

We are pleased to present the results of our audit of the financial statements of the City of Okeechobee, Florida (the "City") for the year ended September 30, 2023.

This report to the Honorable Mayor and City Council summarizes our audit, the report issued and various analyses and observations related to the City's accounting and reporting. The document also contains the communications required by our professional standards.

Our audit was designed, primarily, to express an opinion on the City's basic financial statements for the year ended September 30, 2023. We considered the City's current and emerging needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that the City expects. We received the full support and assistance of City personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

This report is intended solely for the information and use of the Honorable Mayor, City Council and management of the City and should not be used by anyone other than these specified parties.

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 321.255.0088 or [laviles@cricpa.com](mailto:laviles@cricpa.com).

Very truly yours,

Lindsay J. Aviles, CPA  
Partner  
**Carr, Riggs & Ingram, LLC**



As discussed with management during our planning process, our audit plan represented an approach responsive to the assessment of risk for the City. Specifically, we planned and performed our audit to:

- Perform audit services, as requested by the Honorable Mayor and City Council, 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, in order to express an opinion on the City's financial statements for the year ending September 30, 2023;
- 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*;
- Communicate directly with the Honorable Mayor and City Council and management regarding the results of our procedures;
- Address with the Honorable Mayor, City Council and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Honorable Mayor, City Council and management; and
- Other audit-related projects as they arise and upon request.



We have audited the financial statements of the City of Okeechobee, Florida for the year ended September 30, 2023, and have issued our report thereon dated April 8, 2024. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p><b>Auditor's responsibility under Generally Accepted Auditing Standards, <i>Government Auditing Standards</i> and Chapter 10.550, Rules of the Florida Auditor General</b></p>	<p>As stated in our engagement letter dated September 5, 2023, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP) and Chapter 10.550 Rules of the Florida Auditor General. Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal control of the City and compliance with laws, regulations, and grants. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control and compliance with laws and regulations.</p>
<p><b>Client's responsibility</b></p>	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud. Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>
<p><b>Planned scope and timing of the audit</b></p>	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p><b>Management judgments and accounting estimates</b>  <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditor's conclusion regarding the reasonableness of those estimates.</i></p>	<p>Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."</p>
<p><b>Potential effect on the financial statements of any significant risks and exposures</b>  <i>Major risks and exposures facing the City and how they are disclosed.</i></p>	<p>No such risks or exposures were noted.</p>
<p><b>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles</b></p> <ul style="list-style-type: none"> <li>• <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i></li> <li>• <i>The auditor should also discuss the auditor's judgment about the quality, not just the acceptability, of the City's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures. Critical accounting policies and practices applied by the City in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations;</i></li> <li>• <i>Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor; Furthermore, if the accounting policy selected by management is not the policy preferred by us, discuss the reasons why management selected that policy, the policy preferred by us, and the reason we preferred the other policy.</i></li> </ul>	<p>Significant accounting policies are described in Note 2 to the financial statements.</p> <p>New accounting policies were adopted during the fiscal year as a result of the following recently issued accounting pronouncement:</p> <ul style="list-style-type: none"> <li>• Statement No. 91, <i>Conduit Debt Obligations</i> (GASB 91)</li> <li>• Statement No. 93, <i>Replacement of Interbank Offered Rates</i> (GASB 93)</li> <li>• Statement No. 96, <i>Subscription-Based Information Technology Arrangements</i> (GASB 96)</li> </ul> <p>The adoption of the above statements had no impact on the financial statements.</p> <p>We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.</p> <p>Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:</p> <p>The disclosure of pension trust funds in Note 4-B to the financial statements due to the reported performance of plan assets.</p> <p>The disclosure of Post-Employment Benefit Obligations in Note 4-C to the financial statements since this represents a future liability to the City.</p> <p>The financial statement disclosures are neutral, consistent, and clear.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p><b>Significant difficulties encountered in the audit</b>  <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>
<p><b>Disagreements with management</b>  <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial accounting, reporting, or auditing matter, that could be significant to the financial statements or the auditor's report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	<p>We are pleased to report that no such disagreements arose during the course of our audit.</p>
<p><b>Other findings or issues</b>  <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	<p>None noted.</p>
<p><b>Matters arising from the audit that were discussed with, or the subject of correspondence with management</b>  <i>Business conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i></p>	<p>None noted.</p>
<p><b>Corrected and uncorrected misstatements</b>  <i>All significant audit adjustments arising from the audit, whether or not recorded by the City, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the City Council about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i></p>	<p>See "Summary of Audit Adjustments" section.</p>
<p><b>Major issues discussed with management prior to retention</b>  <i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	<p>Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.</p>
<p><b>Consultations with other accountants</b>  <i>When management has consulted with other accountants about significant accounting or auditing matters.</i></p>	<p>To our knowledge, there were no such consultations with other accountants.</p>
<p><b>Written representations</b>  <i>A description of the written representations the auditor requested (or a copy of the representation letter).</i></p>	<p>See "Draft Management Representation Letter" section.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p><b>Internal control deficiencies</b>  <i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditor's attention during the audit.</i></p>	<p>See "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards." See also the "Independent Auditor's Management Letter."</p>
<p><b>Fraud and illegal acts</b>  <i>Fraud involving senior management, the Plan Administrator or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditor's attention involving senior management and any other illegal acts, unless clearly inconsequential.</i></p>	<p>We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.</p>
<p><b>Other information in documents containing audited financial statements</b>  <i>The external auditor's responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> <li>• Such information is materially inconsistent with the financial statements; and</li> <li>• We believe such information represents a material misstatement of fact.</li> </ul> <p>We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.</p>
<p><b>Significant unusual accounting transactions</b>  <i>Auditor communication with governance to include auditor's views on policies and practices management used, as well as the auditor's understanding of the business purpose.</i></p>	<p>No significant unusual accounting transactions were noted during the year.</p>
<p><b>Required Supplementary Information</b>  <i>The auditor's responsibility for required supplementary information accompanying the financial statements, as well as any procedures performed and the results.</i></p>	<p>We applied certain limited procedures to management's discussion and analysis and the required supplementary information ("RSI") as listed in the table of contents of the financial statements that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.</p>

## Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



We are required to communicate our judgments about the quality, not just the acceptability, of the City's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The City Council may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	AUDITOR'S CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Investments	<p>Except as noted below, the City reports their investments at fair value. Money market investments and certain interest-earning investment contracts with a remaining maturity of one-year or less at the date of purchase may be reported at amortized cost.</p> <p>The City follows the provisions of Section 150: <i>Investments</i>, of the GASB Codification when reporting investments.</p>	X	The City relies on investment valuation information from the City's investment manager (investment consultant) and from information from investment pool sponsors based on financial market information.	The City's policies are in accordance with all applicable accounting guidelines and GASB.
Depreciation of Capital Assets	The City depreciates property and equipment using the straight-line method.	X	The City depreciates property and equipment over their estimated useful lives which are based on the experience with similar assets and guidance provided by Section 1400: <i>Reporting on Capital Assets</i> , of the GASB Codification.	The City's recognition methods and disclosures appear appropriate.

## Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	AUDITOR'S CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Other Post-Employment Benefits	The City records a liability for its post-employment benefits obligation other than pensions.	X	The OPEB liability is projected using methods and assumptions as provided in the most recent actuarial valuation, in accordance with the provisions of GASB Statement No. 75. Health care cost trend rates were based on market assessments.	We evaluated the key factors and assumptions in determining they are reasonable in relation to the financial statements taken as a whole.
Pension Trust Funds	The City participates in police officers' firefighters' and general employees' pension plans. The plans utilize an independent actuary to provide an actuarial valuation report specific to each plan. This report provides each plan with estimates of the total pension liability, fiduciary net position, related deferred outflows/inflows and actuarially required contributions in accordance with the provisions of GASB 68.	X	Key assumptions utilized by the actuary in making the estimates in accordance with GASB 68. The total pension liability was determined by an actuarial valuation.	We evaluated the assumptions used by the actuary in estimating the City's total pension liability, the fiduciary net position, and the related deferred outflows/inflows and found them to be in accordance with the provisions of GASB 68 and reasonable in relation to the financial statements taken as a whole.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	AUDITOR'S CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Compensated absences	<p>Liabilities for compensated absences attributable to services already rendered are accrued as employees earn the rights to those benefits.</p> <p>The City follows the provisions of Section C60: <i>Compensated Absences</i>, of the GASB Codification when reporting these liabilities</p>	X	The City estimates the accrued liabilities for compensated absences using leave balances accrued at the end of the fiscal year multiplied by the pay rate in effect for each employee as of the end of the fiscal year.	The City's policies are in accordance with all applicable accounting guidelines and GASB.



During the course of our audit, we accumulate differences between amounts recorded by the City and amounts that we believe are required to be recorded under GAAP reporting guidelines. Those adjustments are either recorded (corrected) by the City or passed (uncorrected). Uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in the auditor's judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

The following adjustments were passed (uncorrected) by the City.

It was noted during testing that the amounts for four copier leases were not recorded as right-of-use assets and offset with a corresponding liability, which is both an understatement of assets and understatement of liabilities in the amount of \$14,907.

### QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the City's operating environment that has been identified as playing a significant role in the City's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.



April 8, 2024

Carr, Riggs & Ingram, LLC  
215 Baytree Drive  
Melbourne, Florida 32940

This representation letter is provided in connection with your audit of the financial statements of the City of Okeechobee, Florida, which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of September 30, 2023, and the respective changes in financial position for the year then ended and the disclosures (collectively, the “financial statements”), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of April 8, 2024, the following representations made to you during your audit.

### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated September 5, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.



- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.
- 10) All workers compensation claims are being processed through the insurance company and all applicable deductibles have been accrued.
- 11) Expenditures of state programs were below the \$750,000 threshold in the fiscal year ended September 30, 2023, and we were not required to have an audit in accordance with the Florida Single Audit Act. Expenditures of the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program exceeded \$750,000; however, the City has met the criteria established by the U.S. Department of the Treasury and has elected to obtain a compliance examination in lieu of a single audit under the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance).

**Information Provided**

- 12) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters [and all audit or relevant monitoring reports, if any, received from funding sources].
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) We have no knowledge of any fraud or suspected fraud that affects the City and involves—
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.



- 17) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 18) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 19) We have disclosed to you the names of the City's related parties and all the related party relationships and transactions, including any side agreements. There are none.

### **Government-specific**

- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 22) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit. There are no investigations we are aware of.
- 23) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 24) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 25) We have no conduit debt obligations that would need to be disclosed in accordance with GASBS No. 91 .
- 26) We are not aware of any identified or suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 27) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 28) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, India Riedel (Finance Director), who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.



- 29) The effect of the uncorrected misstatement is immaterial, both individually and in the aggregate, to the financial statements as a whole. The uncorrected misstatement is attached to the representation letter as Exhibit A.
- 30) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 31) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 32) There are no majority equity interests in legally separate organizations or joint ventures with an equity interest.
- 33) The financial statements include all fiduciary activities required by [GASBS No. 84](#), as amended.
- 34) The financial statements properly classify all funds and activities in accordance with [GASBS No. 34](#), as amended.
- 35) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 36) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 37) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 38) Provisions for uncollectible receivables have been properly identified and recorded.
- 39) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 40) Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
- 41) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 42) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 43) Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the balance sheet date and have been reduced to their estimated net realizable value.
- 44) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 45) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.



- 46) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 47) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 48) The City is in compliance with Florida Statute 218.415, local government investment policies, in all respects.
  - a) We are responsible for establishing and maintaining effective internal control over compliance.
  - b) We have performed an evaluation of the City's compliance with Florida Statute 218.415, local government investment policies.
  - c) All relevant matters are reflected in the measurement or evaluation of City's compliance with the specified requirements.
  - d) We are responsible for selecting the specified requirements and for determining that the specified requirements are appropriate for our purposes.
  - e) We have provided you with all relevant information and access to information and personnel in connection with your examination of compliance with Florida Statute 218.415, local government investment policies.
  - f) We have disclosed to you all known matters that may contradict the City's compliance with the specified requirements and we have disclosed to you all communications from regulatory agencies, internal auditors, other independent accountants or consultants, and others regarding possible noncompliance with Florida Statute 218.415, local government investment policies, including communications received between September 30, 2023 and the date of the examination report.
  - g) We have responded fully to all inquiries made to us by you during the engagement.

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: City Administrator

Title: Finance Director



**Exhibit A**

The following adjustments were passed (uncorrected) by the City, as they are deemed to be immaterial to the financial statements:

Pursuant to GASB 87, it was noted during testing that the amounts for four copier leases were not recorded as right-of-use assets and offset with a corresponding lease liability, which is both an understatement of assets and understatement of liabilities in the amount of \$14,907.

## ORDINANCE NO. 1289

**AN ORDINANCE OF THE CITY OF OKEECHOBEE, FLORIDA, UPDATING THE FIVE-YEAR SCHEDULE OF CAPITAL IMPROVEMENTS OF THE CITY'S COMPREHENSIVE PLAN AS MANDATED BY FLORIDA STATUTES SECTION 163.3177(3)(b); PROVIDING FOR CONFLICT, PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Florida Statutes Section, 163.3177(3)(b) requires local governments to annually update a Five-Year Schedule of Capital Improvements which is consistent with the Comprehensive Plan and may be accomplished by ordinance rather than as an amendment to the Local Comprehensive Plan; and

**WHEREAS**, the City's Planning Board, acting as the Local Planning Agency, has reviewed the proposed Five-Year Schedule of Capital Improvements No. 24-001-CPA, at a duly advertised meeting held on March 21, 2024, and hereby forwards its recommendation to the City Council; and

**WHEREAS**, the City Council has agreed with the recommendations of the Planning Board that the proposed Five-Year Schedule of Capital Improvements complies with the requirements of Florida Statutes, Section 163.3177(3)(b), that the proposed improvements are consistent with the Comprehensive Plan; and

**WHEREAS**, the City Council desires to adopt this Schedule to guide future development of the City and protect the public's health, safety, and welfare.

**NOW, THEREFORE**, be it ordained before the City Council for the City of Okeechobee, Florida; presented at a duly advertised public meeting; and 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. RECITALS.** The foregoing "whereas" clauses are incorporated herein as legislative findings by this reference and made a part hereof for all intents and purposes.

**SECTION 2. Revision.** The City Council hereby revises the Capital Improvements Element of its Comprehensive Plan by updating the Five-Year Schedule of Capital Improvements (Five-Year Capital Improvement Plan) attached as Exhibit "A".

**SECTION 3. Conflict.** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**SECTION 4. Severability.** If any provision or portion of this Ordinance is declared by a court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of this ordinance shall remain in full force and effect.

**SECTION 5. Effective Date.** This Ordinance shall take effect immediately upon its passage.

**INTRODUCED** for first reading and set for Final Public hearing on this this **16<sup>th</sup>** day of **April 2024**. Roll Call Vote:

	Yes	No	Abstained	Absent
Council Member Chandler:				
Council Member/Vice Mayor Clark:				
Council Member Jarriel:				
Council Member McAuley:				
Mayor Watford:				

\_\_\_\_\_  
Dowling R. Watford, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Lane Gamiotea, CMC, City Clerk

**PASSED AND ADOPTED** after Second and Final Public Hearing this **21<sup>st</sup>** day of **May 2024**. Roll Call  
Vote:

	<u>Yes</u>	<u>No</u>	<u>Abstained</u>	<u>Absent</u>
Council Member Chandler:	_____	_____	_____	_____
Council Member/Vice Mayor Clark:	_____	_____	_____	_____
Council Member Jarriel:	_____	_____	_____	_____
Council Member McAuley:	_____	_____	_____	_____
Mayor Watford:	_____	_____	_____	_____

\_\_\_\_\_  
Dowling R Watford, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Lane Gamiotea, CMC, City Clerk

**REVIEWED FOR LEGAL SUFFICIENCY:**

\_\_\_\_\_  
John J. Fumero, City Attorney  
Nason Yeager Gerson Harris & Fumero P.A.

# ORDINANCE NO. 1289

## EXHIBIT "A"

FIVE YEAR SCHEDULE OF CAPITAL IMPROVEMENTS							
Project Name/ Description	Funding Source	Budget 2023-24	Budget 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	5-Year Total
<b>Roadway Projects</b>							
Median Replacement & Right-of-Way	Gas Tax	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 50,000.00
Repair & Maintenance Roads & Culverts	Gas Tax	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 75,000.00
SCOP SE 5th Avenue	SCOP (State)	\$ 334,951.00	\$ -	\$ -	\$ -	\$ -	\$ 334,951.00
Future SCOP Projects	SCOP (State)	\$ -	\$ -	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 600,000.00
Pavement Program	Gas Tax	\$ 100,000.00	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -	\$ 500,000.00
Sidewalk Program	Gas Tax	\$ 160,000.00	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 360,000.00
Sign Repair/replacement	Gas Tax	\$ 15,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 135,000.00
Traffic Signal Upgrades	Gas Tax	\$ 5,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 85,000.00
Asphalt Overlay Road	General Fund	\$ 509,000.00	\$ -	\$ -	\$ -	\$ -	\$ 509,000.00
Future SCOP Projects	SCOP (State)	\$ -	\$ 300,000.00	\$ -	\$ 300,000.00	\$ -	\$ 600,000.00
<b>Sub-Total</b>		<b>\$ 1,148,951.00</b>	<b>\$ 575,000.00</b>	<b>\$ 475,000.00</b>	<b>\$ 575,000.00</b>	<b>\$ 475,000.00</b>	<b>\$ 3,248,951.00</b>
<b>Drainage Projects</b>							
Right-of-Way Drainage	Gas Tax	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 75,000.00
SE 8th Stormwater Infrastructure Phase II	FDEP Grant	\$ 195,400.00	\$ -	\$ -	\$ -	\$ -	\$ 195,400.00
Storm Water Infiltration Repair	Gas Tax	\$ 20,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 80,000.00
Storm Water Ditch Adjustments	Gas Tax	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 75,000.00
SE 8th Stormwater Infrastructure	State Appropriations & General Fund	\$ 195,400.00	\$ -	\$ -	\$ -	\$ -	\$ 195,400.00
Stormwater Infrastructure	ARPA Funds	\$ 1,409,246.00	\$ -	\$ -	\$ -	\$ -	\$ 1,409,246.00
Stormwater Pipe Lining	Gas Tax	\$ 150,000.00	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 150,000.00	\$ 600,000.00
<b>Sub-Total</b>		<b>\$ 2,000,046.00</b>	<b>\$ 195,000.00</b>	<b>\$ 45,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 2,630,046.00</b>
<b>Recreation Projects</b>							
Tree Program	General Fund	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 75,000.00
Primitive Baptist Church	General Fund	\$ 120,000.00	\$ -	\$ -	\$ -	\$ -	\$ 120,000.00
Flagler Park-Veterans Memorial Square	General Fund	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ 100,000.00
<b>Sub-Total</b>		<b>\$ 235,000.00</b>	<b>\$ 15,000.00</b>	<b>\$ 15,000.00</b>	<b>\$ 15,000.00</b>	<b>\$ 15,000.00</b>	<b>\$ 295,000.00</b>
<b>Total Expenses</b>		<b>\$ 3,383,997.00</b>	<b>\$ 785,000.00</b>	<b>\$ 535,000.00</b>	<b>\$ 785,000.00</b>	<b>\$ 685,000.00</b>	<b>\$ 6,173,997.00</b>

# ORDINANCE NO. 1289 EXHIBIT "A"

OKEECHOBEE COUNTY SCHOOL DISTRICT

2022-2023 WORK PLAN

**Summary of revenue/expenditures available for new construction and remodeling projects only.**

	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	Five Year Total
Total Revenues	\$87,019,676	(\$2,047,669)	(\$1,585,377)	(\$1,422,917)	\$3,388,114	\$85,351,827
Total Project Costs	\$45,537,000	\$44,100,000	\$5,942,492	\$0	\$0	\$95,579,492
Difference (Remaining Funds)	\$41,482,676	(\$46,147,669)	(\$7,527,869)	(\$1,422,917)	\$3,388,114	(\$10,227,665)

OKEECHOBEE COUNTY SCHOOL DISTRICT

2022-2023 WORK PLAN

**Capacity Project Schedules**

A schedule of capital outlay projects necessary to ensure the availability of satisfactory classrooms for the projected student enrollment in K-12 programs.

Project Description	Location		2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	Total	Funded
Raze and rebuild facility	OKEECHOBEE SENIOR HIGH	Planned Cost:	\$40,000,000	\$40,000,000	\$2,442,492	\$0	\$0	\$82,442,492	Yes
		Student Stations:	705	500	500	0	0	1,705	
		Total Classrooms:	0	0	0	50	0	50	
		Gross Sq Ft:	0	0	181,027	181,027	0	362,054	

<b>Planned Cost:</b>	<b>\$40,000,000</b>	<b>\$40,000,000</b>	<b>\$2,442,492</b>	<b>\$0</b>	<b>\$0</b>	<b>\$82,442,492</b>
<b>Student Stations:</b>	<b>705</b>	<b>500</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>1,705</b>
<b>Total Classrooms:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>50</b>
<b>Gross Sq Ft:</b>	<b>0</b>	<b>0</b>	<b>181,027</b>	<b>181,027</b>	<b>0</b>	<b>362,054</b>



**CITY OF OKEECHOBEE, FLORIDA  
PLANNING BOARD  
MARCH 21, 2024  
SUMMARY OF BOARD ACTION**

**I. CALL TO ORDER**

In the absence of the Chairperson and Vice Chairperson, Secretary Burnette called the March 21, 2024, regular meeting of the Planning Board for the City of Okeechobee to order at 6:00 P.M. and instructed those present to appoint a Chairperson Pro-Tempore to preside over the meeting. By consensus of the Board, Member Brass was appointed. The Pledge of Allegiance was led by Chairperson Pro-Tempore Brass.

**II. ATTENDANCE**

Roll was taken by Board Secretary Patty Burnette. Board Members Phil Baughman, Carl Berlin, Jr., Karyne Brass (serving as Chairperson Pro-Tempore), Mac Jonassaint, Jim Shaw and Alternate Board Members Jon Folbrecht and Dean Murray were present. Chairperson Dawn Hoover and Vice Chairperson Doug McCoy were absent with consent. Chairperson Pro-Tempore Brass moved Alternate Board Members Folbrecht and Murray to voting position.

**III. AGENDA**

- A. There were no items added, deferred, or withdrawn from the agenda.
- B. Motion by Member Baughman, seconded by Member Jonassaint to approve the agenda as published. **Motion Carried Unanimously.**
- C. There was one comment card submitted for public participation for issues not on the agenda. Mr. Jim Shaw distributed five pages of information regarding a change in zoning to modify the Planned Development Midtown Village that is being considered for property located Southeast of the City Limits, on March 26, 2024.

**IV. MINUTES**

- A. Motion by Member Folbrecht, seconded by Member Baughman to dispense with the reading and approve the December 21, 2023, Regular Meeting minutes. **Motion Carried Unanimously.**

**V. CHAIRPERSON PRO-TEMPORE BRASS OPENED THE PUBLIC HEARING AT 6:04 P.M.**

- A. Consider and receive input on the proposed update to the Five-Year Schedule of Capital Improvements within the Comprehensive Plan, No. 24-001-CPA.
  - 1. City Planning Consultant Ben Smith with Morris-Depew Associates, Inc. (via Zoom), reminded the Board why this update was done every year and briefly explained the information contained within the proposed Schedule.
  - 2. No public comments were offered.
  - 3. No Ex-Parte disclosures were offered.
  - 4. Motion by Member Baughman, seconded by Member Folbrecht to recommend approval to the City Council for the proposed update to the Five-Year Schedule of Capital Improvements within the Comprehensive Plan, No. 24-001-CPA, as presented in [Exhibit 1, which includes the Planning Consultant's analysis and recommendation for approval.] The recommendation will be forwarded to the City Council for consideration at Public Hearings, tentatively scheduled for April 16, 2024, and May 21, 2024. **Motion Carried Unanimously.**

**CHAIRPERSON PRO-TEMPORE BRASS CLOSED THE PUBLIC HEARING AT 6:11 P.M.**

**VI. CITY ADMINISTRATOR UPDATE**

No updates provided at this time.

**VII. ADJOURMENT**

Chairperson Pro-Tempore Brass adjourned the meeting at 6:23 P.M.

# Capital Improvements Element

## Goals, Objectives and Policies

- Goal:** The City of Okeechobee shall continue to ensure that public facilities and services are provided, on a fair-share costs basis, in a manner which maximizes the use of existing facilities and promotes orderly growth.
- Objective 1:** The City of Okeechobee shall continue to use the Capital Improvements Element to schedule construction and identify funding sources for the City's capital facility needs in order to accommodate existing and future development, and to replace obsolete or worn-out facilities.
- Policy 1.1:** Proposed capital improvements projects shall continue to be ranked and evaluated according to appropriate policies adopted in other elements of the Comprehensive Plan. The following criteria will also be considered:
- (1) whether the proposed project will eliminate a public hazard;
  - (2) whether the proposed project will eliminate capacity deficits;
  - (3) local budget impacts;
  - (4) locational needs based on projected growth patterns;
  - (5) accommodation of new development or redevelopment;
  - (6) financial feasibility; and
  - (7) plans of state agencies or water management districts that provide facilities in Okeechobee.
- Policy 1.2:** The City of Okeechobee shall continue to integrate its planning and budgeting processes such that expenditures which are budgeted for capital improvements recognize policies related to public facilities and services set forth in the Comprehensive Plan.
- Policy 1.3:** In accordance with Policy 7.1 of the Sanitary Sewer... Element, the City shall complete a stormwater management study to identify drainage deficiencies, and allocate any available funds for that purpose in its Administrative Operating Budget for fiscal year 2013. The 5-Year Schedule of Capital Improvements will be amended as soon as possible to include the study, its projected cost, and the identified revenue source(s).
- Policy 1.4:** The City of Okeechobee shall identify its needs for public facility improvements, the revenues required for project funding, and shall itemize the costs for such projects in its 5-Year Schedule of Capital Improvements.
- Objective 2:** The City of Okeechobee shall continue to coordinate land use decisions with the schedule of capital improvements in a manner that maintains the adopted level of service standards and meets existing and future needs.

Policy 2.1:

The City of Okeechobee shall continue to use the following level of service standards in reviewing the impacts of new development and redevelopment:

Facility	Level of Service
Sanitary Sewer	130 gallons/capita/day (see Sanitary Sewer, Solid Waste, Drainage, Potable Water, and Natural Groundwater Aquifer Recharge Element)
Potable Water	114 gallons/capita/day (see Sanitary Sewer, Solid Waste, Drainage, Potable Water, and Natural Groundwater Aquifer Recharge Element)
Solid Waste	Average Solid Waste Generation X 13 lbs./person/day X at least 13 years available capacity in Okeechobee County landfill (see Policy 1.4 of Sanitary Sewer...Element)
Principal Arterials	C
Minor Arterials & All Others	D
Recreation and Open Space	3 acres/1,000 persons
Drainage	<i>Interim Standard (see Policy 1.5 of Sanitary Sewer... Element)</i> Design Storm X 25-year storm X 24-hour duration  Facility Design Standards X as required by Florida Administrative Code (see Policy 1.5 of Sanitary Sewer... Element)
Public Schools	
Existing School	Permanent FISH Capacity Considering Utilization Rate
New Elementary	750
New Middle	1000
New K-8	1200
New High School	1500

Policy 2.2: Development orders and permits shall be granted only when required public facilities and services are operating at the established levels of service, or shall be available concurrent with the impacts of the development. Such facilities and services may be provided in phases if development correspondingly occurs in phases; however, required service levels must be maintained at all times during the development process.

Policy 2.3: The City of Okeechobee will maintain a water supply facilities work plan that is coordinated with SFWMD's District Water Supply Plan and the Okeechobee Utility Authority (OUA) by updating its own work plan within 18 months of an update to SFWMD's District Water Supply Plan that affects the City.

Policy 2.4: The City of Okeechobee recognizes that it relies upon the Okeechobee Utility Authority (OUA) facilities for the provision of potable water for its residents, businesses and visitors, and as such the City is part of the greater SFWMD, and that the continued supply of potable water will be dependent upon all local governments striving to maintain demand for potable water at sustainable levels. As such, the City will:

- (1) Continue to maintain relationships with the SFWMD and the Okeechobee Utility Authority (OUA) to maintain or reduce potable water consumption through education, conservation, and participation in ongoing programs of the region, county and city including coordinating local conservation education efforts with the SFWMD and the Okeechobee Utility Authority (OUA) programs.
- (2) Require landscaping in all new development or redevelopment on public water systems to use water-efficient landscaping and require functioning rain-sensor devices on all new automatic irrigation systems.
- (3) The City of Okeechobee shall inform residents and businesses of, and shall encourage their participation in, the Okeechobee Utility Authority (OUA) water conservation programs if they become available.

Policy 2.5: The City of Okeechobee recognizes that the Okeechobee Utility Authority (OUA) provides potable water to the City, its businesses and residents. Although no capital improvement projects are necessary within the City for which the City of Okeechobee has financial responsibility in connection with supply of potable water to the City, its businesses and residents, the City of Okeechobee will support and coordinate with the Okeechobee Utility Authority (OUA), as necessary, to assist in the implementation of Okeechobee Utility Authority (OUA) Capital Improvements projects for the years 2011-2021.

**Objective 3:** In order to maintain adopted level of service standards, future development shall bear a proportionate cost of necessary public facility improvements equivalent to the benefits it receives from the improvements.

Policy 3.1: The City of Okeechobee shall continue to evaluate potential revenue available for public facility expenditures through alternative sources such as user fees, special benefit units, or special assessments.

Policy 3.2: The City of Okeechobee shall continue to maintain adopted levels of service by using revenue sources considered under Policy 3.1 to ensure that new development pays a pro rata share of the costs of public facility needs which it generates.

Policy 3.3: The City of Okeechobee shall continue to continue to apply for and secure grants or private funds when available to finance the provision of capital improvements.

**Objective 4:** The City of Okeechobee shall continue to ensure the provision of needed public facilities within the City limits, based on adopted levels of service as set forth in the Comprehensive Plan. Public facilities needs shall be determined on the basis of previously issued development orders as well as the City's budgeting process and its joint activities with Okeechobee County and the Okeechobee County School District for planning, zoning, and concurrency management.

Policy 4.1: Existing and future public facilities shall operate at the levels of service established in this plan.

Policy 4.2: Debt service shall not exceed 20% of annually budgeted revenues.

Policy 4.3: A five-year capital improvements program and annual capital budget shall be adopted as part of the City of Okeechobee's annual budgeting process. This program shall include the annual review, and revision as needed, of the Five-Year Schedule of Capital Improvements.

Policy 4.4: The financially feasible School District Five-Year Capital Improvement Plan (Tentative Facilities Work Program) which achieves and maintains the adopted level of service standards for public schools, as approved by the Okeechobee County School Board shall be included and adopted each year as part of the City of Okeechobee's annual budgeting process.

**Objective 5:** The City of Okeechobee shall furnish meaningful opportunities for the School Board to have input and coordination in the City's development review process in order to assist the School Board in their provision of adequate and efficient schools.

Policy 5.1:

The City of Okeechobee and the School Board shall coordinate to ensure that schools are adequately and efficiently provided commensurate with growth. Key coordinating mechanisms shall include:

- (a) promotion of joint infrastructure park/school facilities when feasible;
- (b) consideration of the adequacy and availability of educational infrastructure during appropriate review of development order applications;
- (c) ensuring the provision of adequate infrastructure, on and off site, normally associated with new or expanded schools where consistent with state law restrictions on expenditures by the School Board;
- (d) evaluation of the School District's annually updated Capital Improvement Plan to ensure that it is financially feasible and that the adopted level-of-service standard for public schools is achieved and maintained;
- (e) seeking that any new major residential development or redevelopment applicant submit information regarding projected school enrollments from the project; and
- (f) request that the School Board submit site plan information for all timely new schools.

## **Capital Improvements Implementation**

### **City of Okeechobee Comprehensive Plan**

Capital improvement needs identified in the Comprehensive Plan will be met through implementation of a 5-Year Schedule of Capital Improvements. This schedule is adopted by the City Council along with Goals, Objectives and Policies, and must be consistent with the Capital Improvements Element. The purpose of the Schedule is to ensure that the City has adequate revenues to implement the Comprehensive Plan.

The 5-Year Schedule of Capital Improvements focuses on the capital outlay required to meet existing deficiencies and to maintain adopted level of service standards planned for public facilities in the Plan. The City shall advise the OUA on these standards.

FIVE YEAR SCHEDULE OF CAPITAL IMPROVEMENTS							
Project Name/Description	Funding Source	2022-2023	2023-2024	2024-2025	2025-2026	2026-2030	5 Year Total
Median Replacement & Right of Way	Gas Tax	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
SCOP SE 5th Avenue	SCOP	\$ 334,951		\$ -			\$ 334,951
SCOP NE 9th Street	SCOP (being applied for)	\$ -	\$ 250,000	\$ -			\$ 250,000
Asphalt Program	Gas Tax	\$ 100,000	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ 500,000
Sidewalk Program	Gas Tax	\$ -	\$ -	\$ -	\$ -	\$ -	
Sign Repair/replacement	Gas Tax	\$ 20,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 140,000
Traffic Signal Upgrades	Gas Tax	\$ 10,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 90,000
<b>Sub Total</b>		<b>\$ 474,951</b>	<b>\$ 480,000</b>	<b>\$ 60,000</b>	<b>\$ 260,000</b>	<b>\$ 60,000</b>	<b>\$ 1,364,951</b>
ROW Drainage	Gas Tax	\$ 10,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 70,000
R&M Roads and Culverts	Gas Tax	\$ 10,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 70,000
Storm Water Infiltration Repair	Gas Tax	\$ 20,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 80,000
Storm Water Ditch Adjustments	Gas Tax	\$ 10,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 70,000
Stormwater Taylor Creek SE 4th Street	DEP Appropriations and GF	\$ 430,000	\$ -	\$ -			\$ 430,000
SE 8th Stormwater Infrastructure	State Appropriations and GF	\$ 250,800	\$ -	\$ -	\$ -	\$ -	\$ 250,800
Stormwater Infrastructure	ARPA Funds	\$ 120,558	\$ 1,456,483	\$ 1,335,924	\$ -	\$ -	\$ 2,912,965
<b>Sub Total</b>		<b>\$ 851,358</b>	<b>\$ 1,516,483</b>	<b>\$ 1,395,924</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 3,883,765</b>
Tree Program	General	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 75,000
Flagler Park/End Cap	General	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Flagler park Improvements	General	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
Centerville park - Kayak Ramp	General	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
<b>Sub Total</b>		<b>\$ 165,000</b>	<b>\$ 115,000</b>	<b>\$ 115,000</b>	<b>\$ 115,000</b>	<b>\$ 115,000</b>	<b>\$ 625,000</b>
<b>Total Expenses</b>		<b>\$ 1,491,309</b>	<b>\$ 2,141,483</b>	<b>\$ 1,570,924</b>	<b>\$ 435,000</b>	<b>\$ 235,000</b>	<b>\$ 5,873,716</b>

FIVE YEAR SCHEDULE OF CAPITAL IMPROVEMENTS							
Project Name/Description	Funding Source	Budget 2023-2024	Budget 2024-2025	Budget 2025-2026	Budget 2026-2027	Budget 2027-2028	
<u>Roadway Projects</u>							
Median Replacement & Right of Way	Gas Tax	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
R&M Roads and Culverts	Gas Tax	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
SCOP SE 5th Avenue	SCOP	\$ 334,951		\$ -			
Future SCOP Projects	SCOP	\$ -	\$ -	\$ 300,000			\$ 300,000
Pavement Program	Gas Tax	\$ 100,000	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ -
Sidewalk Program	Gas Tax	\$ 160,000	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
Sign Repair/replacement	Gas Tax	\$ 15,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Traffic Signal Upgrades	Gas Tax	\$ 5,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Asphalt overlay Road Improvements	General	\$ 509,000	\$ -	\$ -	\$ -	\$ -	\$ -
Future SCOP Projects	SCOP (State)	\$ -	\$ 300,000	\$ -	\$ 300,000	\$ -	\$ -
<b>Sub Total</b>		<b>\$ 1,148,951</b>	<b>\$ 575,000</b>	<b>\$ 475,000</b>	<b>\$ 575,000</b>	<b>\$ 475,000</b>	<b>\$ 475,000</b>
<u>Drainage Projects</u>							
ROW Drainage	Gas Tax	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
SE 8th Stormwater Infrastructure	FDEP Grant	\$ 195,400					
Storm Water Infiltration Repair	Gas Tax	\$ 20,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Storm Water Ditch Adjustments	Gas Tax	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
SE 8th Stormwater Infrastructure	State	\$ 195,400	\$ -	\$ -	\$ -	\$ -	\$ -
Stormwater Infrastructure	ARPA Funds	\$ 1,409,246	\$ -	\$ -	\$ -	\$ -	\$ -
Stormwater pipe lining	Gas Tax	\$ 150,000	\$ 150,000	\$ -	\$ 150,000	\$ 150,000	\$ 150,000
<b>Sub Total</b>		<b>\$ 2,000,046</b>	<b>\$ 195,000</b>	<b>\$ 45,000</b>	<b>\$ 195,000</b>	<b>\$ 195,000</b>	<b>\$ 195,000</b>
<u>Recreation Projects</u>							
Tree Program	General	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Primitive Baptist Church	General	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -
Flagler Park-Veteran Square	General	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sub Total</b>		<b>\$ 235,000</b>	<b>\$ 15,000</b>				
<b>Total Expenses</b>		<b>\$ 3,383,997</b>	<b>\$ 785,000</b>	<b>\$ 535,000</b>	<b>\$ 785,000</b>	<b>\$ 685,000</b>	

**Summary of revenue/expenditures available for new construction and remodeling projects only.**

	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	Five Year Total
Total Revenues	\$71,398,960	\$5,553,028	\$5,741,718	\$5,875,168	\$6,078,522	\$94,617,396
Total Project Costs	\$2,813,000	\$3,159,220	\$431,531	\$0	\$0	\$6,396,751
Difference (Remaining Funds)	\$68,585,960	\$2,400,808	\$5,280,187	\$5,875,168	\$6,078,522	\$88,220,645

District: OKEECHOBEE COUNTY SCHOOL DISTRICT

**Summary of revenue/expenditures available for new construction and remodeling projects only.**

	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	Five Year Total
Total Revenues	\$87,019,676	(\$2,047,669)	(\$1,585,377)	(\$1,422,917)	\$3,388,114	\$85,351,827
Total Project Costs	\$45,537,000	\$44,100,000	\$5,942,492	\$0	\$0	\$95,579,492
Difference (Remaining Funds)	\$41,482,676	(\$46,147,669)	(\$7,527,869)	(\$1,422,917)	\$3,388,114	(\$10,227,665)

**Capacity Project Schedules**

A schedule of capital outlay projects necessary to ensure the availability of satisfactory classrooms for the projected student enrollment in K-12 programs.

Project Description	Location		2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	Total	Funded
Project description not specified	Location not specified	Planned Cost:	\$0	\$0	\$0	\$0	\$0	\$0	No
		Student Stations:	0	0	0	0	0	0	
		Total Classrooms:	0	0	0	0	0	0	
		Gross Sq Ft:	0	0	0	0	0	0	
		Planned Cost:	\$0	\$0	\$0	\$0	\$0	\$0	
		Student Stations:	0	0	0	0	0	0	
		Total Classrooms:	0	0	0	0	0	0	
		Gross Sq Ft:	0	0	0	0	0	0	

**Capacity Project Schedules**

A schedule of capital outlay projects necessary to ensure the availability of satisfactory classrooms for the projected student enrollment in K-12 programs.

Project Description	Location		2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	Total	Funded
Raze and rebuild facility	OKEECHOBEE SENIOR HIGH	Planned Cost:	\$40,000,000	\$40,000,000	\$2,442,492	\$0	\$0	\$82,442,492	Yes
		Student Stations:	705	500	500	0	0	1,705	
		Total Classrooms:	0	0	0	50	0	50	
		Gross Sq Ft:	0	0	181,027	181,027	0	362,054	

<b>Planned Cost:</b>	<b>\$40,000,000</b>	<b>\$40,000,000</b>	<b>\$2,442,492</b>	<b>\$0</b>	<b>\$0</b>	<b>\$82,442,492</b>
<b>Student Stations:</b>	<b>705</b>	<b>500</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>1,705</b>
<b>Total Classrooms:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>50</b>
<b>Gross Sq Ft:</b>	<b>0</b>	<b>0</b>	<b>181,027</b>	<b>181,027</b>	<b>0</b>	<b>362,054</b>



# MEMORANDUM

**TO:** Mayor Watford & City Council

**DATE:** April 8, 2024

**FROM:** HR Generalist Prince *JLP*

**SUBJECT:** Proposed amendments to the  
Personnel Policies & Procedures,  
Longevity Service Awards

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Attached are the proposed amendments we are asking the City Council to adopt in relation to the Longevity Service Awards policy as adopted by the Council on February 6, 2024. The proposed amendments add a new section to Chapter 3, Employee Benefits.

Should you have any questions or concerns, kindly let me know prior to the meeting so that I may have sufficient time to address the issue.

# CHAPTER THREE

## EMPLOYEE BENEFITS

### PAID HOLIDAYS <sup>4, 9, 16</sup>

The City Council each year designates the holidays which are observed. At present there are twelve (12) days off with pay. If a holiday falls on a Saturday, it will be observed on the preceding Friday. If a holiday falls on a Sunday, it will be observed on the following Monday. An employee on paid annual or sick leave when the holiday is observed will not have that day charged to their accrued leave account.

1. The following days will be observed as paid holidays:

New Year's Day	Martin Luther King, Jr. Day	Good Friday
National Memorial Day	Independence Day	Labor Day
Veterans Day	Thanksgiving Day and	Christmas Eve
Employee's Birthday	the Friday after	Christmas Day
2. If you are required to work a holiday you will receive an additional day's pay or a day off at a designated time.

#### **Eligibility**

Full-time probationary or regular employees (who have that date as a regularly scheduled workday) are eligible for paid holidays. Also an employee must not have been absent without leave on the work day before or after the holiday, unless there is a medical emergency and a doctor's excuse is provided to the Department Head upon the employees' return the next working day, or unless the employee is on leave of absence without pay. Those not eligible for paid holidays are temporary, emergency employees or school crossing guards, either full-time or part-time and employees on leave without pay or employees on Worker's Compensation.

#### **Alternatives** <sup>14</sup>

Employees who are eligible for paid holidays and are either required to work due to the essential nature of their positions or who have the designated holiday as a normal day off in the Friday through Thursday work week [Police Department see Ch. 5 for workweek], shall:

1. Receive an alternate day off with pay within the same work week for non- shift employees.
2. Be paid the normal day's pay for that holiday in addition to the pay received for the hours worked.

The Department Head will make this determination.

#### **Shift Employees**

An employee who is required to work on a holiday in addition to the regular schedule will be granted the alternatives above and will not be paid the time and a half (1½) overtime rate for the hours worked.

## RETIREMENT PLAN

The City has a retirement plan for regular employees. The cost is shared by the City, and/or State and the employee. Each employee contributes a percentage of their base salary into their retirement account as approved by the City Council, except Police Officers contribute a percentage of their total compensation as provided by Florida Statute.

The City contributes to the retirement accounts of the General employees. Vested rights for these employees are obtained after five (5) years of continuous service.

The State (and if necessary the City) contributes to the retirement accounts of the Police and Fire Department employees. Vested rights for these employees are obtained after ten (10) years of continuous service.

### **Special Pay Plan (Accrued Leave Benefits)**<sup>10, 11</sup>

1. In the event an employee who is otherwise eligible for retirement benefits and annual leave and sick leave, upon separation, elects for early retirement prior to age 59½, an additional retirement benefit to that retiree shall be paid by the City to the retiree the difference of the retirees Social Security and Medicare obligation, currently 7.65 percent, and the amount of the penalty imposed by IRS regulations, currently 10 percent. In the event future regulations should change the percentages of Social Security and Medicare obligations and penalties for early retirement, this agreement to reimburse a retiree shall continue, adjusted at the then- current percentages.
2. The benefits provided by Resolution No. 2016-06 shall only apply to those sums for annual and sick leave taken by the employee and deposited in the City Special Pay Plan mandated by Resolution No. 2016-04, and no other retirement benefit.
3. In the event the City should opt out of the Special Pay Plan set forth in Resolution No. 2016-04 in the future, then the benefits provided by the Resolution shall cease without further action by the City Council.

## 457 DEFERRED COMPENSATION PLAN<sup>8</sup>

The City Council adopted a 457 Deferred Compensation Plan by Resolution No. 2007-05 to be administered by the International City Managers Association Retirement Corporation. The purpose of this strictly voluntary Plan is to give employees another avenue to set aside additional money for retirement, or for their own savings. The Plan is by contributions from the employee only.

## GROUP HEALTH INSURANCE

Group Health Insurance is available for all regular employees and their families. The City pays the full premium for the employee and a designated amount for any dependent coverage. Payment for the dependent coverage is made by a payroll deduction from the employee.

### **Federal Cobra Law**

An employee leaving the service of the City may continue the Group Health Insurance for a period of eighteen (18) months by paying the premiums directly to the insurance company upon completion of an application obtained from Human Resources.

City retirees are eligible to participate in the City's Group Health Insurance Plan as provided by law. (Florida Statute 112.0801)

## **GROUP LIFE AND DISABILITY INSURANCE <sup>14</sup>**

The City provides a paid life insurance policy for general employees. The City provides a paid life and accidental death and dismemberment insurance policy for its Police Officers and ~~Firefighters~~ pursuant to Florida Statutes. A non-job connected disability insurance is provided for all full-time City employees.

## **JOB CONNECTED INJURY BENEFITS <sup>15</sup>**

The City provides Worker's Compensation Insurance benefits to any employee injured as a result of job duties. The City will secure immediate medical attention for an injured employee and furnish competent medical services. The insurance plan provides for complete payment for medical services, hospital charges and related therapy or treatment. The City will pay the employee's regular weekly salary less applicable deductions the first seven (7) days an employee has been temporarily disabled. Worker's Compensation will pay benefits for periods exceeding seven (7) days. The employee will receive the difference between what the Worker's Compensation benefit pays and his/her normal salary equaling one hundred percent (100%) of his/her normal salary if the injury is attributable to the employee's occupation in the City and is considered as such under the Workers Compensation Statute of the State of Florida and its rules and regulations. This difference in Workers Compensation benefits and normal salary shall be provided up to ninety (90) days from the date of injury. Extensions beyond 90 days may be made by the City Council, in increments up to ninety (90) days. The employee will reimburse the City if the amount paid exceeds one hundred percent (100%) of normal salary. This may be accomplished by the employee making a cash payment to the City. Specific details can be provided by Human Resources.

An employee who is injured as a result of job duties and is classified permanently totally disabled by Worker's Compensation will be entitled to leave with full pay, commencing from the date that the employee is so classified by the State, which will be reduced by the benefits paid to the employee by the insurance carrier for a maximum of ninety (90) calendar days. The paid disability leave must be recommended by the employee's Department Head and authorized by the City Council. An employee who remains permanently totally disabled after the allowed maximum disability leave may elect to receive weekly payments charged first to accrued sick leave then to accrued annual leave account. These amounts will be reduced by the disability benefits paid to the employee by the insurance carrier, or an employee classified as permanently totally disabled may elect to immediately cash out any accrued sick leave or annual leave.

## **EDUCATION REIMBURSEMENT <sup>6, 14, 15</sup>**

The City Council adopted a Education Reimbursement Contract Program. This program applies to full-time, part-time employees, and Police Auxiliary Officers with less than 10 years of service with the City. A contract will be entered into when the position held by the employee requires them to attend training, education, certification programs, or classes, as a pre-requisite to continued employment with the City. The contract provides for the City to advance the costs or reimburse costs of the required training, education, or classes, including program fees, materials, travel, lodging, per diem, or other related expenses. The employee and/or Auxiliary Officer agrees to remain as a full-time employee with the City for a continuous period of three-years for sworn law enforcement and/or Auxiliary Officers or two years for non-sworn Police Department and general employees following the completion of the specific training, education, or certification.

Contracts are available in the Human Resources Office and are to be fully executed before the employee registers or attend classes.

## **UNIFORMS FURNISHED <sup>14</sup>**

The City furnishes uniforms to the employees of the Public Works and Police Departments.

## **LONGEVITY SERVICE AWARDS <sup>16</sup>**

The City encourages career service by offering monetary longevity service awards to all full-time employees who have served the City for at least ten years of employment. Longevity service awards, which are based on the length of service, shall be awarded as follows:

1. Ten Years: Employees who complete ten years of service shall receive an award equal to one percent of their current annual salary.
2. Fifteen Years: Employees who complete fifteen years of service shall receive an award equal to two percent of their annual salary.
3. Twenty Years: Employees who complete twenty years of service shall receive an award equal to three percent of their current annual salary.
4. Twenty-Five Years: Employees who complete twenty-five years of service shall receive an award equal to four percent of their current annual salary.
5. Thirty Years: Employees who complete thirty years of service shall receive an award equal to five percent of their current annual salary.
6. Thirty-Five Years: Employees who complete thirty-five years of service shall receive an award equal to six percent of their current annual salary.
7. Forty + Years: Employees who complete forty years of service, and for every five years after, shall receive an award equal to seven percent of their current annual salary.

## ***Lake Okeechobee Projects***

***January to March 2024***

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### **Lake Okeechobee Operations – Corps allows lake to rise through an above average wet season**

The lake stage continued to rise through the beginning of this year due to almost weekly El Nino rainfall events and the Corps decision to maintain a release target of 2,000 cfs to the Caloosahatchee while LORS release guidance was more than double that volume. During this time the Corps was “banking” the balance to deliver later in the dry season. Many stakeholders objected to holding water in the lake fearing that high releases during the critically environmental spring season were inevitable. The current volume of “banked” water is just under 2 feet on the lake and the majority will likely not be used.

The Corps finally began releases in February when the lake was well within LORS08 Intermediate sub-band. The Corps has just completed three rounds of 14-day pulse releases averaging 4,000 and 1,800 cfs to the Caloosahatchee and St Lucie estuaries, respectively, which brought the lake down from 16.38 to 15.20 feet. Releases will continue at a reduced rate after a two week rest period of zero lake releases to the estuaries.

Lake Stage for the last several months with the current LORS08 schedule and future LOSOM schedule are shown on the next page.

### **LOSOM – Lake Okeechobee System Operating Manual**

High lake stages will be more common with LOSOM. The LOSOM plan was final over a year ago, but at the last minute the National Marine Fisheries Service filed a formal objection with the Corps alleging that the combination of Lake releases and red tide was a threat to sea turtles along the coast. After months of unsuccessful negotiations, the Jacksonville District has announced that LOSOM will be final in July with the inclusion of minor water quality and discharge monitoring and reporting to NMFS. The Corps has stated that nothing in the proposed Water Control Plan for LOSOM will change from the final draft released last summer.

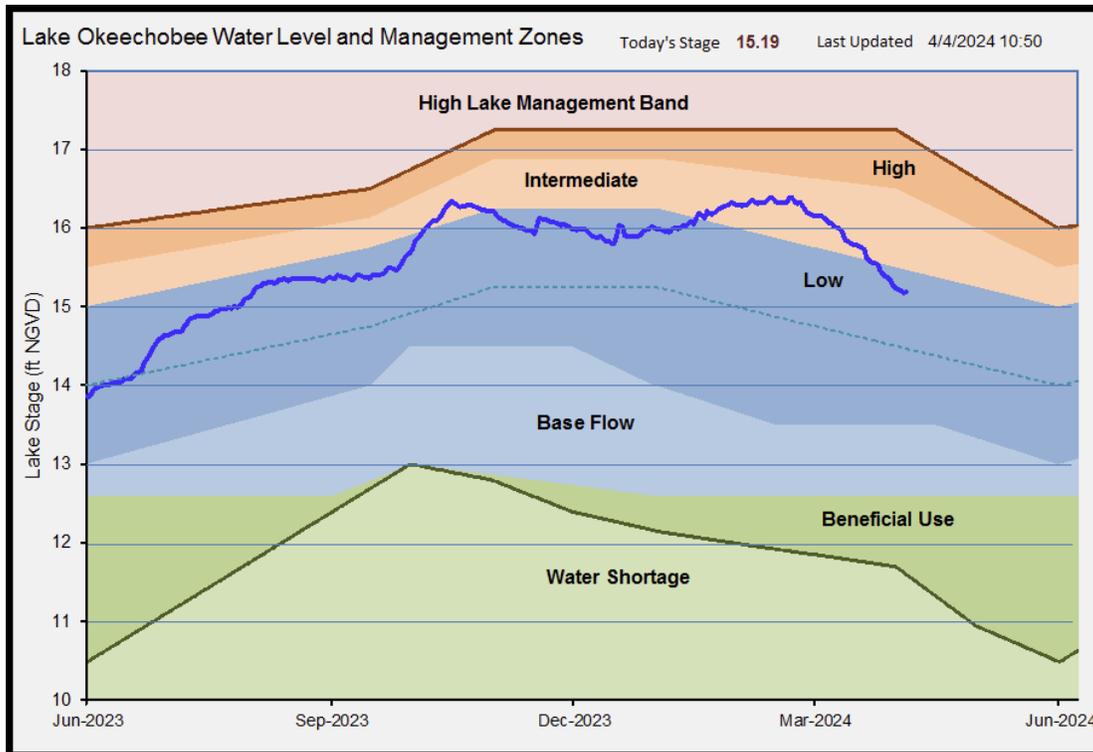
The Water Control Plan presents a schedule that is markedly different from the one recommended by the three-year public process and analyzed in the EIS. The Water Control Plan Schedule gives the Corps the flexibility to select a release volume every week based on conditions at the time when the lake is in Zone D. Water supply interests strongly oppose this plan. The public may get a chance to comment on the final EIS when it is released later this year but the Corps will not be making any changes to the plan.

### **CERP**

The District has finalized a Section 203 study for above ground storage north of the lake. The recommended plan is for 200,000 acre feet of storage in a single reservoir located southeast of Lake Istokpoga on the C-41A canal. The Corps also completed an EIS concurrent with the Districts 203 study. Both have been delivered to the Assistant Secretary of the Army for inclusion in this year’s Water Resource Development Act (WRDA 2024.)

The Lake Okeechobee Watershed Restoration Project has been severely downsized to remove the 55 watershed ASR wells. Currently the Corps research center in Vicksburg (ERDC) is conducting ASR research that mirrors the District’s own research in order to alleviate these concerns. In the meantime, the Corps has reduced the project to only include some wetland restoration along the Kissimmee River.

### Lake Okeechobee Stage and the Current Schedule (LORS08)



**Lake Okeechobee Stage and the preferred alternative in LOSOM.** The Water Control Plan removes all the subzones in Zone D and converts it to one large Zone with flexibility for the Corps to choose releases from 0 to 2,000 cfs to the Caloosahatchee and no flow to the St Lucie.

