



City of Pensacola

City Council Workshop

Agenda

Monday, March 20, 2023, 3:30 PM

Council Chamber

Fiscal Year 2024 Budget Workshop. Immediately following Agenda Conference, starting at 3:30 p.m.

The meeting can be watched via live stream at cityofpensacola.com/video.

CALL TO ORDER

SELECTION OF CHAIR

DETERMINATION OF PUBLIC INPUT

DISCUSSION OF...

1. [23-00265](#) FISCAL YEAR 2024 BUDGET WORKSHOP

Sponsors: Delarian Wiggins

Attachments: [FY 2023 City Council Priorities](#)
[FY 2024 City Council Budget](#)
[LOST IV Fund Report - January 31, 2023](#)
[REAP Audit - Carr, Riggs & Ingram](#)
[REAP Response to Audit](#)
[REAP Follow-Up Response](#)

ADJOURNMENT

If any person decides to appeal any decision made with respect to any matter considered at such meeting, he will need a record of the proceedings, and that for such purpose he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

The City of Pensacola adheres to the Americans with Disabilities Act and will make reasonable accommodations for access to City services, programs and activities. Please call 435-1606 (or TDD 435-1666) for further information. Request must be made at least 48 hours in advance of the event in order to allow the City time to provide the requested services.



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 23-00265

City Council Workshop

3/20/2023

DISCUSSION ITEM

SPONSOR: City Council President Delarian Wiggins

SUBJECT:

FISCAL YEAR 2024 BUDGET WORKSHOP

SUMMARY:

This item begins a series of Budget Workshops as City Council prepares for the delivery of the Mayor's proposed budget.

At this workshop, the following will be discussed:

1. Mayor Reeves' Focus Areas
2. City Council Priorities as a Body Whole
3. City Council FY 2024 Operating Budget Request
4. Overview of the LOST Budget - Where We Are Now
5. Review of the Budget Process Moving Forward
6. REAP Audit - Results & Responses from REAP

PRIOR ACTION:

None

STAFF CONTACT:

Don Kraher, Council Executive
Yvette McLellan, Special Assistant to the Council Executive
Melanie Kruszona, Strategic Budget Planner

ATTACHMENTS:

- 1) FY 2023 City Council Priorities
- 2) FY 2024 City Council Budget
- 3) LOST IV Fund Report - January 31, 2023
- 4) REAP Audit - Carr, Riggs & Ingram
- 5) REAP Response to Audit
- 6) REAP Follow-up Response

PRESENTATION: Yes

**CITY OF PENSACOLA
FISCAL YEAR 2023 BUDGET
CITY COUNCIL PRIORITIES**

Crime and Safety

1. Safe Streets
 - a. Neighborhood Requests For Traffic Calming
 - b. Safe Crossings
 - c. Sidewalks
 - d. Speedbumps
 - e. Streetlights
 - f. Streets
 - g. Traffic Safety
2. Crime Prevention
 - a. Increase neighborhood resource officers
 - b. Reduction of violent and drug-related crime as partner in MSA
 - c. Work with other agencies to reduce violent crime

Neighborhoods

1. Park Maintenance
 - a. Develop a Parks Master Plan
 - b. Diversify parks so that they offer unique experiences at each park
 - c. Equity between districts
 - d. Initiate a fund for repairs of sidewalks and parks (take care of what we build)
 - e. Working Restrooms At Facilities
2. Preserve Historical Culture

Economic Development

1. Affordable/Obtainable Housing
 - a. Addressing abandoned homes for housing opportunities
 - b. Attaining property for affordable/obtainable housing program
 - c. Creating a Sense of Place
 - d. Expand Housing Trust Fund to include a land trust
 - e. Find recurring source of funding beyond sale of city lots
 - f. Implement economic incentives for urban infill – especially when providing long-term rentals
 - g. Increase Housing Inventory

Environment

1. Water Quality
 - a. American Creosote Property – Soil Toxicity
 - b. Continue supporting the work of the Pensacola & Perdido Bays Estuary Program
 - c. Continue to fund monitoring of the bay, bayous, creeks, etc. to make waters safe and accessible
 - d. Develop policy to obtain conservation easements
 - e. Make sure all waterways are safe from bacteria and chemicals before we encourage residents to enter the waters
2. Stormwater
 - a. Address Flooding Issues
 - b. Modification of Drainage Systems
3. Air Quality
 - a. Reduction in Green House Gas Emissions
4. Tree Trust Fund
 - a. Develop an annual plan for the Tree Trust Fund

**CITY OF PENSACOLA
DEPARTMENT REQUEST
FISCAL YEAR 2024 BUDGET**

COST CENTER TOTALS

FUND - 001 - GENERAL FUND

FUNCTION - 510 - GENERAL GOVERNMENT SRVS.

DEPARTMENT - 0010 - CITY COUNCIL

COST CENTER - 001000 - CITY COUNCIL

		FY 2021	FY 2022	FY 2023	FY 2023	FY 2024	FY 2024	FY 2024 TOTAL
	<u>ACCOUNT/TITLE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BEG BUDGET</u>	<u>YTD ACTUAL</u>	<u>DEPT BASE</u>	<u>DEPT NEW</u>	<u>DEPT REQUEST</u>
9111	SALARIES	158,020	158,020	157,400	66,598	157,400	0	157,400
9112	OVERTIME	0	1,616	0	37	0	0	0
9118	MEDICARE PREMIUM	2,289	2,319	2,300	967	2,300	0	2,300
9119	ADDITIONAL REGULAR PAY	159	47	0	216	0	0	0
9120	SOCIAL SECURITY	9,790	9,827	9,800	4,127	9,800	0	9,800
9121	GROUP INSURANCE	20	0	0	0	0	0	0
9122	REPLACEMENT BENEFIT PGM	1	85	0	5	0	0	0
9123	DISABILITY/SURV INSURANCE	0	15	0	1	0	0	0
9130	WORKER'S COMPENSATION	0	0	0	0	300	0	300
9133	FLORIDA RETIREMENT SYSTEM	64,604	65,896	68,900	28,906	67,200	0	67,200
SUBTOTAL PERSONNEL SERVICES		234,883	237,825	238,400	100,857	237,000	0	237,000
9331	OFFICE SUPPLIES	418	490	500	74	500	0	500
9332	OPERATING SUPPLIES	67	199	500	103	500	0	500
9333	REPAIRS & MAINTENANCE	21,601	46,903	1,500	1,522	1,500	0	1,500
9334	SMALL TOOLS & MINOR EQUIP	126	0	0	554	0	0	0
9335	PROFESSIONAL SERVICES	30,138	171,681	34,300	134,084	34,300	0	34,300
9336	COMMUNICATION	47,240	72,948	62,900	38,512	53,500	3,100	56,600
9337	TRANSPORTATION	109	2,820	28,000	884	28,000	0	28,000
9338	ADVERTISING	7,071	10,467	11,300	3,119	11,300	0	11,300
9339	POSTAGE	521	737	1,000	21	1,000	0	1,000
9340	PRINTING & BINDING	746	849	3,500	359	3,500	0	3,500
9342	TRAINING	902	7,819	38,000	1,331	38,000	0	38,000
9343	DUES, SUBS, & MEMBERSHIPS	24,790	25,859	54,300	15,763	54,300	0	54,300
9346	LIABILITY INSURANCE	12,658	12,022	13,100	4,215	12,800	0	12,800
9349	CLOTHING SUPPLIES	578	46	0	0	0	0	0
9355	AGRICULTURAL SUPPLIES	0	1,979	0	0	0	0	0
9357	OTHER CONTRACTUAL SERVICE	4,722	4,959	3,000	5,207	3,000	2,000	5,000
9360	MISCELLANEOUS	11,289	17,004	28,000	9,950	28,000	28,000	56,000
9361	UNCLASSIFIED	49,649	90,463	74,900	31,944	74,900	0	74,900
9364	SERVICE AWARDS	49	0	0	0	0	0	0
9371	NON-CAPITALIZED COMPUTERS	9,816	0	2,400	3,188	0	16,500	16,500
SUBTOTAL OPERATING EXPENSES		222,489	467,245	357,200	250,830	345,100	49,600	394,700
9992	ALLOCATED OVERHEAD(COST RECOVERY)	(218,300)	(236,700)	(218,300)	(109,150)	(218,300)	0	(218,300)

**CITY OF PENSACOLA
DEPARTMENT REQUEST
FISCAL YEAR 2024 BUDGET**

COST CENTER TOTALS

FUND - 001 - GENERAL FUND
FUNCTION - 510 - GENERAL GOVERNMENT SRVS.

DEPARTMENT - 0010 - CITY COUNCIL
COST CENTER - 001000 - CITY COUNCIL

<u>ACCOUNT/TITLE</u>	<u>FY 2021 ACTUAL</u>	<u>FY 2022 ACTUAL</u>	<u>FY 2023 BEG BUDGET</u>	<u>FY 2023 YTD ACTUAL</u>	<u>FY 2024 DEPT BASE</u>	<u>FY 2024 DEPT NEW</u>	<u>FY 2024 TOTAL DEPT REQUEST</u>
SUBTOTAL NON-OPERATING	<u>(218,300)</u>	<u>(236,700)</u>	<u>(218,300)</u>	<u>(109,150)</u>	<u>(218,300)</u>	<u>0</u>	<u>(218,300)</u>
SUBTOTAL CITY COUNCIL	<u>239,073</u>	<u>468,369</u>	<u>377,300</u>	<u>242,537</u>	<u>363,800</u>	<u>49,600</u>	<u>413,400</u>

CITY OF PENSACOLA
DEPARTMENT REQUEST
FISCAL YEAR 2024 BUDGET

COST CENTER TOTALS

FUND - 001 - GENERAL FUND
FUNCTION - 510 - GENERAL GOVERNMENT SRVS.

DEPARTMENT - 0010 - CITY COUNCIL
COST CENTER - 001005 - COUNCIL AUDIT

<u>ACCOUNT/TITLE</u>	<u>FY 2021 ACTUAL</u>	<u>FY 2022 ACTUAL</u>	<u>FY 2023 BEG BUDGET</u>	<u>FY 2023 YTD ACTUAL</u>	<u>FY 2024 DEPT BASE</u>	<u>FY 2024 DEPT NEW</u>	<u>FY 2024 TOTAL DEPT REQUEST</u>
9335 PROFESSIONAL SERVICES	93,475	96,475	105,000	181,245	105,000	0	105,000
SUBTOTAL OPERATING EXPENSES	93,475	96,475	105,000	181,245	105,000	0	105,000
SUBTOTAL COUNCIL AUDIT	93,475	96,475	105,000	181,245	105,000	0	105,000

**CITY OF PENSACOLA
DEPARTMENT REQUEST
FISCAL YEAR 2024 BUDGET**

COST CENTER TOTALS

FUND - 001 - GENERAL FUND
FUNCTION - 510 - GENERAL GOVERNMENT SRVS.

DEPARTMENT - 0010 - CITY COUNCIL
COST CENTER - 001010 - COUNCIL SUPPORT

		FY 2021	FY 2022	FY 2023	FY 2023	FY 2024	FY 2024	FY 2024 TOTAL
	<u>ACCOUNT/TITLE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BEG BUDGET</u>	<u>YTD ACTUAL</u>	<u>DEPT BASE</u>	<u>DEPT NEW</u>	<u>DEPT REQUEST</u>
9111	SALARIES	259,065	346,782	495,500	229,124	543,000	0	543,000
9114	GENERAL PENSION FUND	48	60	0	26	0	0	0
9118	MEDICARE PREMIUM	4,329	5,563	6,900	3,525	7,600	0	7,600
9120	SOCIAL SECURITY	15,717	16,973	17,700	8,869	28,500	0	28,500
9121	GROUP INSURANCE	25,975	30,999	56,800	16,748	61,400	0	61,400
9122	REPLACEMENT BENEFIT PGM	1,833	6,590	11,300	5,394	2,400	0	2,400
9123	DISABILITY/SURV INSURANCE	1,141	1,992	2,900	1,389	1,600	0	1,600
9130	WORKER'S COMPENSATION	0	400	800	800	900	0	900
9133	FLORIDA RETIREMENT SYSTEM	52,385	59,577	63,400	30,670	88,800	0	88,800
9135	OTHER PERSONNEL SERVICES	52,108	52,293	0	22,000	0	0	0
9196	SALARY INCREASES (NON-UNION)	0	0	11,100	0	13,100	0	13,100
SUBTOTAL PERSONNEL SERVICES		412,601	521,228	666,400	318,545	747,300	0	747,300
9331	OFFICE SUPPLIES	490	315	500	26	500	0	500
9332	OPERATING SUPPLIES	67	313	1,200	77	1,200	0	1,200
9333	REPAIRS & MAINTENANCE	720	1,267	2,000	615	2,000	0	2,000
9334	SMALL TOOLS & MINOR EQUIP	65	78	3,400	0	3,400	0	3,400
9335	PROFESSIONAL SERVICES	0	0	10,000	0	10,000	0	10,000
9336	COMMUNICATION	32,765	35,276	31,700	19,062	41,000	0	41,000
9337	TRANSPORTATION	0	0	4,500	0	4,500	0	4,500
9339	POSTAGE	0	12	300	0	300	0	300
9340	PRINTING & BINDING	78	61	500	43	500	0	500
9342	TRAINING	0	93	4,800	0	4,800	0	4,800
9343	DUES, SUBS, & MEMBERSHIPS	409	237	1,500	0	1,500	0	1,500
9346	LIABILITY INSURANCE	8,978	8,690	9,300	2,981	9,100	0	9,100
9357	OTHER CONTRACTUAL SERVICE	2,200	2,640	2,300	1,144	2,300	700	3,000
9364	SERVICE AWARDS	0	100	0	0	0	0	0
9371	NON-CAPITALIZED COMPUTERS	1,462	1,696	2,000	0	0	2,600	2,600
SUBTOTAL OPERATING EXPENSES		47,233	50,779	74,000	23,948	81,100	3,300	84,400
9992	ALLOCATED OVERHEAD(COST RECOVERY)	(189,500)	(215,200)	(189,500)	(89,383)	(189,500)	0	(189,500)
SUBTOTAL NON-OPERATING		(189,500)	(215,200)	(189,500)	(89,383)	(189,500)	0	(189,500)
SUBTOTAL COUNCIL SUPPORT		270,334	356,807	550,900	253,109	638,900	3,300	642,200

**CITY OF PENSACOLA
DEPARTMENT REQUEST
FISCAL YEAR 2024 BUDGET**

COST CENTER TOTALS

FUND - 001 - GENERAL FUND
FUNCTION - 510 - GENERAL GOVERNMENT SRVS.

DEPARTMENT - 0010 - CITY COUNCIL
COST CENTER - 001015 - CITY COUNCIL SECURITY

<u>ACCOUNT/TITLE</u>	<u>FY 2021 ACTUAL</u>	<u>FY 2022 ACTUAL</u>	<u>FY 2023 BEG BUDGET</u>	<u>FY 2023 YTD ACTUAL</u>	<u>FY 2024 DEPT BASE</u>	<u>FY 2024 DEPT NEW</u>	<u>FY 2024 TOTAL DEPT REQUEST</u>
DEPT SUBTOTAL CITY COUNCIL	<u>602,881</u>	<u>921,651</u>	<u>1,033,200</u>	<u>676,891</u>	<u>1,107,700</u>	<u>52,900</u>	<u>1,160,600</u>

**CITY OF PENSACOLA
DEPARTMENT REQUEST
FISCAL YEAR 2024 BUDGET**

COST CENTER TOTALS

FUND - 001 - GENERAL FUND
FUNCTION - 510 - GENERAL GOVERNMENT SRVS.

DEPARTMENT - 0010 - CITY COUNCIL
COST CENTER - 001015 - CITY COUNCIL SECURITY

<u>ACCOUNT/TITLE</u>	<u>FY 2021 ACTUAL</u>	<u>FY 2022 ACTUAL</u>	<u>FY 2023 BEG BUDGET</u>	<u>FY 2023 YTD ACTUAL</u>	<u>FY 2024 DEPT BASE</u>	<u>FY 2024 DEPT NEW</u>	<u>FY 2024 TOTAL DEPT REQUEST</u>
SUBTOTAL GENERAL FUND	<u>602,881</u>	<u>921,651</u>	<u>1,033,200</u>	<u>676,891</u>	<u>1,107,700</u>	<u>52,900</u>	<u>1,160,600</u>
TOTAL REPORT	<u><u>602,881</u></u>	<u><u>921,651</u></u>	<u><u>1,033,200</u></u>	<u><u>676,891</u></u>	<u><u>1,107,700</u></u>	<u><u>52,900</u></u>	<u><u>1,160,600</u></u>

CITY OF PENSACOLA
LOCAL OPTION SALES TAX SERIES IV PLAN
AS OF JANUARY 31, 2023

			FISCAL YEARS															PROJECT BALANCE
DEPARTMENT	PROJECT NAME	REVISED PROJECT ESTIMATE	ACTUAL 2015	ACTUAL 2016	ACTUAL 2017	ACTUAL 2018	ACTUAL 2019	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	PROJECTED 2026	PROJECTED 2027	PROJECTED 2028	PROJECTED 2029 (3 months)	
1	FIRE	FIRE STATION RENOVATIONS																
2		STATION #3	3,723,662	153	285,765	1,734,698	1,703,046											0
3		FIRE APPARATUS																
4		REPLACE 97 SOUTHERN COACH 1250 GPM PUMPER, UNIT #961	425,787			425,787												0
5		REPLACE 98 SOUTHERN COACH 1250 GPM PUMPER, UNIT #962	425,787			425,787												0
6		REPLACE 07 PIERCE 1250 GPM PUMPER, UNIT #950-07 (E-1)	488,156						488,156									0
7		REPLACE 07 PIERCE 1250 GPM PUMPER, UNIT #925-07 (E-2)	488,156						488,156									0
8		REPLACE 10 PIERCE, 105' AERIAL LADDER, UNIT #920-10	1,319,100							1,317,775	1,325							1,325
9		REPLACE 10 PIERCE 1250 GPM PUMPER, UNIT #964-10 (E-6)	570,000								570,000							23,204
10		FIRE VEHICLES																
11		REPLACE 99 FORD F-350 PICKUP, UNIT #908	32,552			32,552												0
12		REPLACE 95 FORD F-150 PICKUP, UNIT #902-95	45,503					45,503										0
13		REPLACE 99 CROWN VICTORIA, UNIT #901	27,187					27,187										0
14		REPLACE 06 TOYOTA COROLLA, UNIT #916-06	29,735					29,735										0
15		REPLACE 01 FORD EXCURSION, UNIT #909	42,414						42,414									0
16		REPLACE 06 CROWN VICTORIA, UNIT #906-06	36,180						36,180									0
17		REPLACE 08 CROWN VICTORIA, UNIT #905-08	41,800							30,221	11,579							8,195
18		REPLACE 05 CROWN VICTORIA, UNIT #910-05	41,800								41,800							41,800
19		MOBILE DATA TERMINALS	28,981					12,981		12,297	3,703							3,703
20		REPLACE AIR CONDITIONING UNITS	11,000			11,000												0
21		REPLACE THERMAL IMAGING CAMERAS	40,888					40,888										0
22		TRAINING SIMULATOR (GRANT MATCH)	208,222			6,619	50,823	10,037	54,955	21,543	64,245							64,245
23		REPLACE COPIER/FAX/SCANNER	8,101					8,101										0
24		SCBA FACEMASK FITNESS TEST EQUIPMENT	9,415					9,415										0
25		REPLACE HVAC UNITS	126,753					8,000	38,182	23,415	32,156	25,000						25,000
26		BREATHING AIR COMPRESSOR	25,000					25,000										0
27		AIR BAG SYSTEM	9,000						9,000									0
28		FIRE BOAT EQUIPMENT (PORT GRANT MATCH)	52,163							52,163								0
29		PORTABLE RADIOS	22,000						22,000									0
30		SCBA UNITS (GRANT MATCH)	51,083							51,083								0
31		MOTOROLA RADIOS	31,529						997	30,532								0
32		EXTRICATION EQUIPMENT (GRANT MATCH)	3,200								3,200							3,200
33		COMPACT HAZARD HOSE	8,265							8,265								0
34		CANCER DECON EQUIPMENT MATCH	8,300								8,300							563
35		TNT SPREADER TOOL	8,800								8,800							8,800
36		TNT CUTTER TOOL	9,100								9,100							9,100
37		TNT TELESCOPING RAM	7,300								7,300							7,300
38		DEPT. SUB-TOTAL	8,406,919	0	153	285,765	2,636,443	1,947,698	135,611	1,224,640	1,422,257	754,352	0	0	0	0	0	196,435
39	POLICE	800 MHz RADIO SYSTEM	6,539,878	2,314,588	4,162,269	63,021												0
40		POLICE MARKED VEHICLES	8,470,987				339,500	580,177	781,873	284,734	858,258	2,266,445	840,000	840,000	840,000	840,000		4,181,378
41		POLICE UNMARKED VEHICLES	1,892,462				117,156	70,456	304,951	291,879	118,308	329,712	165,000	165,000	165,000	165,000		890,752
42		MOBILE DATA TERMINALS	575,006				31,491	25,644	69,871	58,000	41,720	58,280	58,000	58,000	58,000	58,000		348,280
43		POLICE HEADQUARTERS BUILDING HVAC CONTROLS	194,387					92,227	102,160									0
44		POLICE COPIER	7,020					7,020										0
45		POLICE POLYGRAPH	6,980					6,980										0
46		POLICE BUILDING CAMERA SYSTEM	34,009						34,009									0
47		BODY CAMERAS	115,000							108,906		6,094						6,094
48		POLICE CAD HARDWARE	6,500								6,500							890
49		DEPT. SUB-TOTAL	17,842,229	2,314,588	4,162,269	63,021	488,147	782,504	1,292,864	743,519	1,018,286	2,667,031	1,063,000	1,063,000	1,063,000	1,063,000	58,000	0
50	PUBLIC WORKS	JEFFERSON STREET LIGHTING	407,121				316,639	104,232	(13,750)									0
51		SIDEWALK IMPROVEMENTS	1,887,837							42,900	56,606	798,331	200,000	200,000	200,000	200,000	190,000	1,523,232
52		INTERSECTION IMPROVEMENTS	1,354,900						373,397	401,983	53,400	126,120	100,000	100,000	100,000			483,135
53		TRAFFIC CALMING	199,001							17,268	40,132	141,601						130,116
54		COLLEGE BLVD SCHOOL SAFTEY	150,000								2,627	147,373						134,678
55		BURGESS ROAD	1,840,001						124,115	432,872	1,057,506	225,508						54,436

CITY OF PENSACOLA
LOCAL OPTION SALES TAX SERIES IV PLAN
AS OF JANUARY 31, 2023

			FISCAL YEARS															PROJECT BALANCE
DEPARTMENT	PROJECT NAME	REVISED PROJECT ESTIMATE	ACTUAL 2015	ACTUAL 2016	ACTUAL 2017	ACTUAL 2018	ACTUAL 2019	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	PROJECTED 2026	PROJECTED 2027	PROJECTED 2028	PROJECTED 2029 (3 months)	
56	PUBLIC WORKS CONT WEST CERVANTES CORRIDOR	987,300						984,000	3,300									0
57	PAVEMENT MANAGEMENT PROGRAM	6,325,332				2,941,001	401,065	1,159,564	22,152	(39,551)	1,841,101							1,841,101
58	BAYLEN STREET MARINA SEAWALL REFURBISHMENT	750,000									77,260	672,740						682,740
59	PALAFOX MARINA SEAWALL REFURBISHMENT	750,000											750,000					750,000
60	9TH AVENUE BRIDGE LIGHT	65,000					16,313			9,319	39,368							19,354
61	BAYLEN STREET LIGHTING	280,497					1,879	278,618										0
62	SPRING STREET LIGHTING	323,162						323,162										0
63	REUS STREET LIGHTING	278,060						278,060										0
64	GOYA STREET LIGHTING	292,910								202,516	90,394							46,269
65	LANGLEY AVENUE INTERSECTION	23,100									23,100							554
66	PALAFOX ROAD DIET	1,200,000									1,200,000							1,200,000
67	STREET RECONSTRUCTION	659,063								501,973	157,090							31,764
68	ENERGY CONSERVATION & EFFICIENCY IMPROVEMENTS	1,535,000									460,000	215,000	215,000	215,000	215,000	215,000		1,535,000
69	CITY-WIDE ADA IMPROVEMENTS	538,853						77,995			210,858	50,000	50,000	50,000	50,000	50,000		460,858
70	DEPT. SUB-TOTAL	19,847,137	0	0	0	3,257,640	523,489	3,585,161	920,475	1,884,528	5,538,104	1,237,740	1,315,000	565,000	565,000	455,000	0	8,893,237
71	MISCELLANEOUS WOMEN'S VETERAN MEMORIAL	40,000									40,000							40,000
72	CHAPPIE JAMES MEMORIAL	250,000								84,000	166,000							82,000
73	GARDEN STREET LANDSCAPE	150,000								150,000								0
74	DEPT. SUB-TOTAL	440,000	0	0	0	0	0	0	0	234,000	206,000	0	0	0	0	0	0	122,000
75	PARKS & REC ATHL FACILITIES & RESOURCE CTRS IMPROVEMENTS																	
76	BAYVIEW RESOURCE CENTER	8,122,259		86	350,875	712,157	3,241,611	3,501,094	316,009	427								0
77	BAYVIEW SENIOR CENTER	223,802					121,284	102,518										0
78	CECIL T. HUNTER SWIMMING POOL	1,929,060					11,830	59,790	114,774	225,247	1,517,419							41,567
79	COBB CENTER	393,953					126,448	22,505			175,000		70,000					192,004
80	EAST PENSACOLA HEIGHTS	154,239					19,439	4,800	60,400	6,312	63,288							63,288
81	EXCHANGE PARK	564,039						23,531		372,687	167,821							165,001
82	FRICKER CENTER	670,001				145,736				46,840	477,425							472,855
83	GULL POINT RESOURCE CENTER	218,438				676	144,255		73,507									0
84	OSCEOLA MUNICIPAL GOLF COURSE	1,155,078			538,257	138,883		249,417		207,371	21,150							21,150
85	ROGER SCOTT ATHLETIC COMPLEX	123,793								29,630	94,163							59,428
86	ROGER SCOTT COMPLEX SWIMMING POOL	729,000								50,852	678,148							678,148
87	ROGER SCOTT TENNIS CENTER	3,878,658				28,025		79,848	118,736	57,663	3,594,386							3,562,595
88	SANDERS BEACH-CORINNE JONES CENTER	105,758					39,690	66,068										0
89	THEOPHALIS MAY CENTER	71,435								71,435								0
90	TIPPIN RESOURCE CENTER & ATHLETIC FACILITY	67,434							94	3,401	63,939							0
91	VICKREY CENTER	534,962					14,379	77,014	69,023	51,468	323,078							323,078
92	WOODLAND HEIGHTS CENTER	525,000									525,000							525,000
93	GENERAL ATHLETIC FACILITIES IMPROVEMENTS	4,611									4,611							4,611
94	SUB-TOTAL	19,471,520	0	86	889,132	1,025,477	3,718,936	4,186,585	752,543	1,123,333	7,705,428	0	0	70,000	0	0	0	6,108,725
95	PARK IMPROVEMENTS																	
96	ARMSTRONG PARK	168,119					162,919				5,200							0
97	AVIATION PARK	40,684				40,684												0
98	BARTRAM PARK	50,000										50,000						50,000
99	BAY BLUFFS PARK	200,000									200,000							200,000
100	BAYCLIFF ESTATES PARK	25,000											25,000					25,000
101	BAYVIEW PARK	514,667				134,818	11,500	25,080		35,250	308,019							0
102	BELVEDERE PARK	118,049									83,049		35,000					68,736
103	BILL GREGORY PARK	25,000									25,000							25,000
104	BRYAN PARK	137,908									37,908				100,000			103,753
105	CALLOWAY PARK	43,377						43,377										0
106	CATALONIA SQUARE	54,988							38,558	16,430								0
107	CHIMNEY PARK	15,000									15,000							15,000
108	CORINNE JONES PARK	94,687				94,687												0

CITY OF PENSACOLA
LOCAL OPTION SALES TAX SERIES IV PLAN
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		REVISED PROJECT ESTIMATE	FISCAL YEARS															PROJECT BALANCE
DEPARTMENT	PROJECT NAME		ACTUAL 2015	ACTUAL 2016	ACTUAL 2017	ACTUAL 2018	ACTUAL 2019	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	PROJECTED 2026	PROJECTED 2027	PROJECTED 2028	PROJECTED 2029 (3 months)	
109	PARKS & REC CONT. DUNWODY PARK	40,000													40,000			40,000
110	DURANT (REV) PARK (FORMERLY BARCIA PARK)	52,125						52,125										0
111	EAST PENSACOLA HEIGHTS	119,264					82,464	36,800										0
112	EASTGATE PARK	90,975									55,975			35,000				35,001
113	ESTRAMADURA SQUARE	76,282							46,982	4,300			25,000					25,000
114	FAIRCHILD PARK	170,368									170,368							80,856
115	GRANADA SUBDIVISION PARK	15,000									15,000							5,028
116	HIGHLAND TERRACE PARK	100,000					11,250	20,729	621		67,400							67,400
117	HITZMAN PARK	319,256					301,758		17,498									0
118	KIWANIS PARK	73,945						15,948	88	9,095	48,814							0
119	LAMANCHA SQUARE	54,632									29,632	25,000						25,000
120	LAVALLET PARK	43,100							6,572		1,528		35,000					36,528
121	LEGION FIELD	1,330,148				112,381	338,966	260,079	594,751	23,971								0
122	LION'S PARK	23,676									23,676							1
123	LONG HOLLOW PARK	115,138							25,341	39,797	50,000							50,000
124	MAGEE FIELD	1,417,499						25,129	832,630	397,531	162,209							126,940
125	MALLORY HEIGHTS PARK #1 (ROTHSCHILD)	99,970								99,970								0
126	MALLORY HEIGHTS PARK #3 (SCENIC)	50,000											50,000					50,000
127	MARITIME PARK	117,878				114,170	3,708											0
128	MATTHEWS (REV) PARK	150,000										150,000						150,000
129	MIRAFLORES PARK	33,796						33,796										0
130	MORRIS COURT PARK	404,664				29,496	372,749	2,419										0
131	OPERTO SQUARE	64,554							52,954	1,600	10,000							10,000
132	PARKER CIRCLE PARK	100,883					94,168	6,715										0
133	PINTADO PARK	126,324									126,324							59,051
134	SANDERS BEACH PARK	486,363				104,456	95,377			137,316	149,214							1
135	SEVILLE SQUARE	50,000											50,000					50,000
136	SKATEBOARD PARK	325,001								64,944	260,057							1
137	SOCCER COMPLEX (FORMERLY MALLORY HGTS #2)	3,003,471				10,311	595,700	306,527	2,056,212	18,282	16,439							0
138	SPRINGDALE PARK	94,287						94,287										0
139	TIERRE VERDE PARK	36,775						36,775										0
140	TIPPIN PARK	350,566									350,566							350,566
141	WAYSIDE EAST SEAWALL REFURBISHMENT	1,600,000					49,956	74,849		22,608	1,452,587							1,424,500
142	WOODCLIFF PARK	87,444							84,150	3,294								0
143	ZAMORA SQUARE	30,000													30,000			30,000
144	GENERAL PARK IMPROVEMENTS	145,851									52,651	23,300	23,300	23,300	23,300			145,851
145	PARK SIDEWALK IMPROVEMENTS	157,004									70,504	23,800	18,800	18,900	25,000			157,004
146	SUB-TOTAL	13,043,718	0	0	0	641,003	2,120,515	1,034,635	3,756,357	874,388	3,787,120	272,100	227,100	112,200	218,300	0	0	3,406,217
147	DEPT. SUB-TOTAL	32,515,238	0	86	889,132	1,666,480	5,839,451	5,221,220	4,508,900	1,997,721	11,492,548	272,100	227,100	182,200	218,300	0	0	9,514,942
148	CAPITAL EQUIPMENT	4,137,919									137,919	800,000	800,000	800,000	800,000	800,000		4,137,919
149	LEGAL REPLACE COPIER	6,956					6,956											0
150	DEPT. SUB-TOTAL	6,956	0	0	0	0	6,956	0	0	0		0	0	0	0	0	0	0
151	HUMAN RESOURCES REPLACE COPIER	8,995								8,995								0
152	DEPT. SUB-TOTAL	8,995	0	0	0	0	0	0	0	8,995		0	0	0	0	0	0	0
153	PARKS & REC REPLACE 02 FORD CREW CAB PICKUP TRUCK - UNIT #519	25,642				25,642												0
154	REPLACE 03 CREW CAB PICKUP - UNIT #544-03	26,357				26,357												0
155	REPLACE 08 FORD ESCAPE - UNIT #515-08	24,657				24,657												0
156	FERTILIZER SPREADER	6,705					6,705											0
157	ZERO TURN MOWER	22,957				5,999		16,958										0
158	OSC-REPLACE PULL BEHIND ROUGH MOWER	45,086				45,086												0
159	ADMIN COPIER	8,210				8,210												0
160	REPLACE 07 FORD 650 TRASH PACKER - UNIT #537-07	80,196					80,196											0
161	REPLACE 97 FORD F150 PICKUP - UNIT #557-97	24,340						24,340										0
162	PARKS GARBAGE TRUCK	80,196					80,196											0

CITY OF PENSACOLA
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			FISCAL YEARS															PROJECT BALANCE
DEPARTMENT	PROJECT NAME	REVISED PROJECT ESTIMATE	ACTUAL 2015	ACTUAL 2016	ACTUAL 2017	ACTUAL 2018	ACTUAL 2019	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	PROJECTED 2026	PROJECTED 2027	PROJECTED 2028	PROJECTED 2029 (3 months)	
163	PARKS & REC CONT. REPLACE 02 FORD CREW CAB W/DUMP HOIST - UNIT #517-02	27,088					27,088											0
164	REPLACE 99 DODGE PICKUP - UNIT #524-99	24,340					24,340											0
165	REPLACE 03 FORD 3/4 TON PICKUP - UNIT #543-03	27,088					27,088											0
166	REPLACE 94 FORD PICKUP W/DUMP BODY - UNIT #554-97	27,088					27,088											0
167	REPLACE JOHN DEERE UTILITY VEHICLE	8,545					8,545											0
168	REPLACE TORO INFIELD GROOMER	17,544						17,544										0
169	RSTC - CLAY COURT MAINTENANCE UTILITY VEHICLE	11,080					11,080											0
170	REPLACE 2004 F-150 TRUCK - UNIT #558-04	25,695						25,695										0
171	REPLACE PARKS STUMP GRINDER	58,620						58,620										0
172	REPLACE 95 INTERNATIONAL HOOD LIFT TRUCK - UNIT #573	92,236							92,236									0
173	NEW TREE CREW BUCKET TRUCK	132,966							132,966									0
174	REPLACE TORO INFIELD SAND PRO MODEL 3040	18,000									18,000							18,000
175	REPLACE BALL CREW TRACTOR - UNIT #583	35,654						35,654										0
176	OSC-REPLACE RAIN BIRD PUMP STATION	128,561						128,561										0
177	OSC-REPLACE RANGE PICKER MACHINE	5,144						5,144										0
178	OSC-REPLACE RAIN SHELTER	9,450						9,450										0
179	RIDING LAWNMOWER - LANDSCAPE CREW	28,204							28,204									0
180	TRAILER(S) - LANDSCAPE CREW	10,230						10,230										0
181	LANDSCAPE 96" MOWER	27,857							27,857									0
182	REPLACE 72" MOWER	24,707							24,707									0
183	UTILITY TRUCK - LANDSCAPE CREW	31,039							31,039									0
184	BOAT DOCK REPLACEMENTS	75,000									75,000							75,000
185	NEW BOBCAT	89,841							89,841									0
186	NEW TORO REEL MOWER W/TRAILER	70,355							70,355									0
187	OSC-REPLACE GREENSMOWER - UNIT #5752	35,948								35,948								0
188	REPLACE 06 THOMAS SCHOOL BUS - UNIT #588-06	185,000									185,000							21,512
189	NEW SPECIALIZED VAN	13,990									13,990							13,990
190	REPLACE FOUR (4) ROLL OFF CONTAINERS	24,000									24,000							24,000
191	REPLACE 91 FORD PICKUP - UNIT #564	41,888									41,888							385
192	REPLACE TORO ZERO TURN MOWER	31,290								31,290								0
193	REPLACE 93 FORD F250 PICKUP TRUCK - UNIT #528	42,500									42,500							997
194	REPLACE TORO INFIELD SAND PRO	31,710									31,710							2,051
195	REPLACE 96 DODGE INTREPID - UNIT #552	23,803								23,803								0
196	OSC-REPLACE TORO GREENSMASER - UNIT #5758	51,613									51,613							45
197	OSC-REPLACE 2011 TORO SAND PRO	28,619									28,619							1
198	OSC-REPLACE 99 DODGE 3500 FLATBED TRUCK - UNIT #575	57,010									57,010							0
199	OS-REPLACE IRRIGATION COMPUTER SYSTEM	17,247								17,247								0
200	OSC-REPLACE 1998 REEL GRINDER	43,328								43,328								0
201	BACKHOE ATTACHMENT FOR BOBCAT	10,000									10,000							10,000
202	REPLACE TRACTOR/LOADER - UNIT #598	10,000									10,000							10,000
203	REPLACE TRACTOR - UNIT #592	0																0
204	REPLACE 60' RIDING LAWN MOWER	40,000									40,000							3,476
205	REPLACE 98 BEDKNIFE GRINDER	33,000									33,000							33,000
206	REPLACE 10 KUBOTA DECK MOWER - UNIT #571-10	30,000									30,000							30,000
207	REPLACE 12 KUBOTA DECK MOWER - UNIT #575-12	30,000									30,000							30,000
208	REPLACE 91 SOD CUTTER	6,500									6,500							6,500
209	REPLACE 98 DODGE TRUCK - UNIT #520-98	85,000									85,000							85,000
210	REPLACE 08 FORD F350 - UNIT #773-08	38,400									38,400							38,400
211	REPLACE 88 GMC 3500 TRUCK - UNIT #523-88	38,400									38,400							38,400
212	REPLACE 11 FORD RANGER - UNIT #577-11	38,400									38,400							38,400
213	REPLACE 94 GMC CRANE TRUCK - UNIT #565	250,000									250,000							250,000
214	REPLACE 08 FORD ESCAPE - UNIT #770-08	39,000									39,000							2,713
215	ROBOTIC PAINT MACHINE	60,000									60,000							3,500
216	DEPT. SUB-TOTAL	2,687,324	0	0	0	135,951	316,666	297,626	507,435	151,616	1,278,030	0	0	0	0	0	0	735,370

**CITY OF PENSACOLA
LOCAL OPTION SALES TAX SERIES IV PLAN
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			FISCAL YEARS															PROJECT BALANCE
DEPARTMENT	PROJECT NAME	REVISED PROJECT ESTIMATE	ACTUAL 2015	ACTUAL 2016	ACTUAL 2017	ACTUAL 2018	ACTUAL 2019	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	PROJECTED 2026	PROJECTED 2027	PROJECTED 2028	PROJECTED 2029 (3 months)	
217	PUBLIC WORKS	UPGRADE HVAC CONTROLS FOR FSC	42,900			42,900												0
218		UPGRADE HVAC CONTROLS FOR CITY HALL	204,225			204,225												0
219		REPLACE 03 FORD F350 UTILITY TRUCK - UNIT #776-03	33,445			33,445												0
220		REPLACE 05 FORD F350 TRUCK - UNIT #115-05	38,635				38,635											0
221		REPLACE 98 INT'L DUMP TRUCK - UNIT #156-98	126,291				126,291											0
222		REPLACE 00 CAT LOADER - UNIT #180-00	121,252				121,252											0
223		REPLACE 05 FORD F150 - UNIT #503	44,445				39,640	4,805										0
224		NEW HOT WATER PRESSURE WASHER	5,474				5,474											0
225		REPLACE 09 FOR ESCAPE - UNIT #500-09	19,160				19,160											0
226		NEW JOHN DEER UTILITY TRACTOR	34,032					34,032										0
227		TRAFFIC SIGNAL COMMUNICATION DEVICE	49,995						49,995									0
228		REPLACE 08 FORD PICKUP TRUCK - UNIT #504-08	40,989					40,989										0
229		SWEEP CRASH ATTENUATOR	27,000					27,000										0
230		STREET SWEEPER	217,956						217,956									0
231		REPLACE 08 FORD F-250 - UNIT #138-08	28,338						28,338									0
232		REPLACE 10 FORD F-350 - UNIT #118-10	51,150						51,150									0
233		REPLACE 97 FORD BUCKET TRUCK - UNIT #509-97	157,627							157,627								0
234		NEW CONCRETE GRINDER WITH VAC SYSTEM	14,131						14,131									0
235		ARROW BOARD	5,052						5,052									0
236		KUBOTA MINI EXCAVATOR	49,011							49,011								0
237		DUMP TRAILER	8,904							8,904								0
238		REPLACE 08 F350 FLATBED DUMP TRUCK - UNIT #116-08	61,510								61,510							0
239		CONFLICT MONITOR TESTER	12,628							12,628								0
240		MIOVISION TRAFFIC CONTROL & MONITORING DEVICE	6,400								6,400							507
240		NEW FULL SIZE TRUCK	40,001								40,001							0
241		DEPT. SUB-TOTAL	1,440,551	0	0	0	280,570	350,452	106,826	366,622	228,170	107,911	0	0	0	0	0	507
242		TOTAL CAPITAL EQUIPMENT	8,281,745	0	0	0	416,521	674,074	404,452	874,057	388,781	1,523,860	800,000	800,000	800,000	800,000	800,000	4,873,796
243		TOTAL PROJECT ALLOCATIONS	87,333,268	2,314,588	4,162,508	1,237,918	8,465,231	9,767,216	10,639,308	8,271,591	6,945,573	22,181,895	3,372,840	3,405,100	2,610,200	2,646,300	1,313,000	29,027,804
244		TRANSFER OUT - PORT FUND - BERTH 6	1,000,000	0	0	0	0	641,778	118,454	87,660	34,450	117,658	0	0	0	0	0	1,000,000
245		TRANSFER OUT - AIRPORT FUND - PROJECT STALLION & TITAN	18,200,000	0	0	0	0	75,846	2,128,692	945,850	739,146	14,310,466	0	0	0	0	0	17,967,608
246		TOTAL TRANSFERS OUT	19,200,000	0	0	0	0	717,624	2,247,146	1,033,510	773,596	14,428,124	0	0	0	0	0	18,967,608
247		SUB-TOTAL PROJECT ALLOCATIONS	106,533,268	2,314,588	4,162,508	1,237,918	8,465,231	10,484,840	12,886,454	9,305,101	7,719,169	36,610,019	3,372,840	3,405,100	2,610,200	2,646,300	1,313,000	47,995,412
248		INTEREST EXPENSE - MOTOROLA	840,269		175,480	188,014	188,014	143,013	96,703	49,045								
249		INTEREST EXPENSE - SERIES 2017 BOND	3,404,959				323,406	517,279	473,054	427,614	381,206	333,900	285,400	235,900	185,400	133,700	81,000	27,100
250		TOTAL INTEREST EXPENSE	4,245,228	0	175,480	188,014	511,420	660,292	569,757	476,659	381,206	333,900	285,400	235,900	185,400	133,700	81,000	27,100
251		SUB-TOTAL USES	110,778,496	2,314,588	4,337,988	1,425,932	8,976,651	11,145,132	13,456,211	9,781,760	8,100,375	36,943,919	3,658,240	3,641,000	2,795,600	2,780,000	1,394,000	27,100
252		PRINCIPAL - MOTOROLA	6,460,954				1,546,418	1,591,418	1,637,730	1,685,388								
253		PRINCIPAL - SERIES 2017 BOND	25,000,000				0	1,952,000	2,091,000	2,136,000	2,181,000	2,228,000	2,276,000	2,325,000	2,375,000	2,426,000	2,478,000	2,532,000
254		TOTAL PRINCIPAL	31,460,954	0	0	0	1,546,418	3,543,418	3,728,730	3,821,388	2,181,000	2,228,000	2,276,000	2,325,000	2,375,000	2,426,000	2,478,000	2,532,000
255		TOTAL PROJECTED USES	142,239,450	2,314,588	4,337,988	1,425,932	10,523,069	14,688,550	17,184,941	13,603,148	10,281,375	39,171,919	5,934,240	5,966,000	5,170,600	5,206,000	3,872,000	2,559,100
256		PROJECTED AVAILABLE REVENUES - 11 YEAR	107,460,045	0	0	0	5,671,143	8,901,413	8,698,809	10,718,929	12,234,245	9,675,100	9,745,200	9,815,900	9,887,000	9,958,700	10,030,800	2,122,806
257		PROJECTED INTEREST INCOME	674,076	0	0	0	250,117	279,967	128,406	12,422	3,164		0	0	0	0	0	0
258		TOTAL INTEREST INCOME/DEBT SERVICE SAVINGS	674,076	0	0	0	250,117	279,967	128,406	12,422	3,164	0	0	0	0	0	0	0
259		ESCAMBIA COUNTY CONTRIBUTION - ROGER SCOTT TENNIS CENTER	1,302,546								1,302,546							
260		MISCELLANEOUS REVENUE	308,296						18,899	10,000								
261		OTHER REVENUE (PRIOR LOST PLANS)	149,993						119,989	30,004								
262		SUB-TOTAL MISCELLANEOUS REVENUE	1,760,835	0	0	0	0	0	138,888	10,000	309,401	1,302,546	0	0	0	0	0	0
263		TRANSFER IN - GENERAL FUND (YMCA LAND SWAP)	520,000	0				520,000										
264		TRANSFER IN - CENTRAL SERVICES FUND (MOTOROLA)	363,494	0	175,480	188,014												
265		SUB-TOTAL TRANSFERS IN	883,494	0	175,480	188,014	0	520,000	0	0	0	0	0	0	0	0	0	0
266		TOTAL SOURCES	110,778,450	0	175,480	188,014	5,921,260	9,701,380	8,966,103	10,741,351	12,546,810	10,977,646	9,745,200	9,815,900	9,887,000	9,958,700	10,030,800	2,122,806
267		FUND BALANCE FROM DEBT PROCEEDS	31,461,000	6,461,000			25,000,000	0	0	0	0	0	0	0	0	0	0	0
268		AVAILABLE BALANCE	0															

November 1, 2022

To the City Council
City of Pensacola
222 W. Main Street
Pensacola, FL 32502

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide to the City of Pensacola (the City).

Understanding Our Role

It is our understanding that questions have arisen regarding the potential misappropriation of the funds paid by the City from American Rescue Plan Act (ARPA) under the Agreement for Services Between the City and Re-Entry Alliance Pensacola and subsequent amendments (the Agreement), to Re-Entry Alliance Pensacola (REAP) as subrecipient of funds. The purpose of our work is to determine whether or not funds paid under the Agreement were misappropriated, the amount of any misappropriated funds, and any individuals responsible for the misappropriation, if applicable.

Our understanding is that the Agreement comprises the following:

- Agreement for Services between the City of Pensacola and Re-Entry Alliance Pensacola, Inc. (REAP as "Subrecipient" under ARPA Award # 128.510.1280.128006.9882.128202) in the amount of \$452,584, effective for a period beginning 12/1/2021 and terminating 12/31/2024, unless earlier terminated.
- Amendment 1, Agreement for Services between City of Pensacola and Re-Entry Alliance Pensacola, Inc., amending the scope of services and budget to a total of \$552,000 to be provided by the City under the Agreement.
- Amendment 1, Agreement for Services between City of Pensacola and Re-Entry Alliance Pensacola, Inc., amending the scope of services and budget to a total of \$591,000 to be provided by the City under the agreement.

You will be requested to obtain and provide to us all documents necessary for us to perform our procedures, including access to banking and computer records, payroll reports, credit card statements, invoices and receipts.

In connection with this engagement, we anticipate preparing a written report of our findings and we will present our report to you or to your designated representative. In the event that our report and related work product documents and materials are the subject of a subpoena, the Client will be responsible for any legal fees associated with responding to the subpoena.

Procedures

Our investigative procedures will include the following:

1. Review the Agreement to obtain an understanding of its provisions, scope and limitations.
2. Conduct interviews with the City's finance personnel involved in administering the Agreement, the individual who made the allegations of misappropriation, the Executive Director of REAP, and relevant financial personnel of REAP.
3. Review REAP's bank statements and cancelled check images for suspicious disbursements and prepare a list of such items within the context of the Agreement.
4. Examine REAP's bank, accounting and financial records for unauthorized expenditures within the context of the Agreement.
5. Provide a written report of our findings.

Our investigative procedures will be for the period beginning December 1, 2021 through September 30, 2022. The nature of our procedures will be limited. Therefore, fraud may exist in REAP that we will not identify during performance of those procedures.

This engagement will be conducted in accordance with the Statement on Standards for Forensic Services No. 1 as promulgated by the American Institute of Certified Public Accountants ("AICPA"). While our work will involve an analysis of accounting records, our engagement will not constitute an audit in accordance with generally accepted auditing standards, an examination of internal controls, or any other attestation or review service in accordance with standards established by the AICPA.

Conflicts

CRI has performed an internal search in accordance with our internal procedures for potential client conflicts. No client conflicts were found with respect to any of the parties identified. During the course of this engagement, you agree to inform CRI of additional parties in this matter or name changes of those parties provided.

As a large professional services organization, CRI is engaged by new clients every day and cannot ensure that an engagement for the involved parties will not be accepted by CRI. We take no responsibility for monitoring possible conflicts that could arise during the course of the engagement, although we will inform you promptly should any come to our attention. We reserve the right to resign from this engagement at any time if conflicts arise or become known to us that, in our judgment, would impair our ability to perform objectively.

Engagement Administration

Taylor Jackson will participate as engagement partner, maintaining overall administrative responsibility for the engagement, including billing and client relations. John Slingerland will be the manager who will be actively involved in the performance of the engagement and supervising CRI staff assisting with the engagement. Our work will be billed at a discounted, blended hourly rate of \$250 applied to the hours spent performing the work. For testimony at disposition or trial, an hourly rate of \$325 shall be applied. You will also be billed for any out-of-pocket expenses that we may incur in connection with this engagement, such as travel or postage. Our invoices will be submitted to you monthly, which are payable on presentation. In

accordance with our firm policies, work may be suspended if your account becomes past due and will not be resumed until your account is paid in full.

We estimate that our fee will not exceed \$25,000. However, due to the unpredictable nature of an investigation and unforeseeable requirements that arise in practically all investigations, it is difficult to quantify the total expected fees in the matter prior to commencing our work. The time incurred by CRI will depend on the extent and nature of available information, the outcome of certain procedural and legal tasks, and on information that our procedures may reveal as our work progresses. CRI will work closely with you to make this engagement cost effective.

Our fees are not contingent upon the final results, nor do we guarantee any result or resolution in conjunction with our services.

Dispute Resolution

In the event of a dispute between the parties which arises out of or relates to this contract or engagement letter, the breach thereof or the services provided or to be provided hereunder, if the dispute cannot be settled through negotiation, the parties agree that before initiating arbitration, litigation or other dispute resolution procedure, they will first try, in good faith, to resolve the dispute through non-binding mediation. All parties agree that an alternative form of dispute resolution shall not be undertaken by either party until the expiration of fifteen (15) calendar days following notice being provided to the other party indicating that the dispute cannot be settled through mediation. The mediation will be administered by the American Arbitration Association under its Dispute Resolution Rules for Professional Accounting and Related Services Disputes. The costs of any mediation proceedings shall be shared equally by all parties.

Limitation of liability

Except as provided in this agreement, CRI shall not be liable for incidental, consequential, exemplary, special, punitive or ancillary damages of any kind alleged as a result of any cause of action from this agreement, whether arising out of breach of contract, tort or otherwise. Unless otherwise stated in this agreement, both cri and you agree that the total cumulative liability of cri (including its employees, directors, officers or agents), shall not exceed the amount of fees earned by cri related to this engagement during the twelve months preceding the event giving rise to the claim, as such amount shall serve as a reasonable prospective estimate of any damages which you may suffer through any breach by cri of the terms of this agreement, as such damages may be speculative or impossible to calculate. If there are unpaid fees owed to cri, this cumulative liability will be reduced by the value of the unpaid fees with no additional interest or charges, as cri retains the right to offset any sums claimed as due and owed by you, by any sums to which it is legally entitled. This limitation shall apply whether or not further damages are foreseeable, or whether either party (or its employees, agents, officers or directors) have been advised of the possibility of such damages.

Governing Law; Venue

This agreement and performance hereunder shall be governed by the laws of the State of Florida, without reference to any conflict of laws rules or principles. Any action or proceeding arising from or relating to this agreement must be brought in a state or federal court having jurisdiction in Escambia County, Florida, and each party irrevocably submits to the jurisdiction and venue of any such court in any such action or proceeding and agrees to waive any defenses to venue and jurisdiction including forum non conveniens.

Confidentiality

The working papers prepared in conjunction with our engagement are the property of Carr, Riggs & Ingram, LLC and constitute confidential information, subject to Florida's Public Records Law, to the extent applicable. These working papers will be retained by us in accordance with applicable laws and our Firm's policies and procedures. However, we may be required, by law or regulation, to make certain working papers available to regulatory authorities for their review, and upon request, we may be required to provide such authorities with photocopies of selected working papers.

Disclosure

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account including service providers located outside of the United States. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. Furthermore, we will remain responsible for the work provided by any such third-party service providers. By signing this letter, you consent to allow us to disclose your financial information, if applicable, or other information to our service providers located abroad. If you want to limit the amount of information that may be disclosed to any third-party service provider, please notify us in writing as an attachment to this letter.

Electronic Data Communication and Storage and Use of Third Party Service Provider

In the interest of facilitating our services to your organization, we may send data over the Internet, securely store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to your organization may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as, but not limited to, providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require our third-party vendors to do the same.

You recognize and accept that we have no control over, and shall not be responsible for, the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

To enhance our services to you, we will use a combination of remote access, secure file transfer, virtual private network or other collaborative, virtual workspace or other online tools or environments. Access through any combination of these tools allows for on-demand and/or real-time collaboration across geographic boundaries and time zones and allows CRI and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use certain of these tools and in addition

to execution of this acknowledgement and engagement letter, you may be required to execute a separate client acknowledgement or agreement and agree to be bound by the terms, conditions and limitations of such agreement. You agree that CRI has no responsibility for the activities of its third-party vendors supplying these tools and agree to indemnify and hold CRI harmless with respect to any and all claims arising from or related to the operation of these tools. While we may back up your files to facilitate our services, you are solely responsible for the backup of your files and records; therefore, we recommend that you also maintain your own backup files of these records. In the event you suffer a loss of any files or records due to accident, inadvertent mistake, or Act of God, copies of which you have provided to us pursuant to this agreement, we shall not be responsible or obligated to provide you a copy of any such file or record which we may retain in our possession.

If you agree with the terms of this engagement letter, please sign the acknowledgement below and return a copy to us. This agreement will become effective as soon as you sign and date this letter and return a signed copy to us with the retainer. If circumstances change, our agreement with you may need to be revised. It is customary for us to describe those revisions in an addendum to this letter.

Very truly yours,

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

Certified Public Accountants
Niceville, Florida

RESPONSE:

This letter correctly sets forth the understanding of the City of Pensacola.

Signature: *Ann Hiee*

Title: *Council President*

Date: *11-3-2022*



**Re-Entry Alliance
Pensacola, Inc.**

RE-ENTRY ALLIANCE PENSACOLA, INC.

**P.O. Box 13224
(850) 332-6677**

Vinnie Whibbs, Executive Director

Pensacola, Florida 32591

www.reapreentry.org

Rich Lynch, Director of Operations

February 17, 2023

Ms. Amy Lavoy, Finance Director
Ms. Yvette McLellan
City of Pensacola
222 West Main Street
Pensacola, Florida 32502

Dear Amy and Yvette:

REAP acknowledges receipt of a copy of the Forensic Examination Report prepared by Carr, Riggs & Ingram, LLC. dated February 6, 2023, and we want to express to you our appreciation for the professionalism in the conduct of the review as well as the specific recommendations for ways that REAP can improve on our accounting practices and policies as we mature into a high-performance public service organization. It was less than one year ago when REAP received its first reimbursement from the City of Pensacola for the subject contract (totaling \$791,000 as subsequently modified several times,) and it has been a quite busy time since that start. We are still in the learning stage and the recommendations are appreciated.

After reviewing the report, and discussing its contents with REAP's Executive Committee, I want to discuss individually a number of findings and recommendations reflected in the report.

1. Review of Reimbursement Request (Item 3): The invoice from Baldwin Portable Toilets in the amount of \$2,336 for toilets and sinks delivered to 1310 N. S Street was determined to be ineligible for reimbursement under the contract because that address was not part of the contract. Our subsequent review indicated that reimbursement for this item was proper. On January 31, 2022, when we were in the process of relocating the last of the unauthorized campers from the I-110 encampment there were several women who we determined probably should not be relocated to Camp One and instead were transported to the vacant lot behind The Lodges at 1310 N. S Street, a location operated by REAP on the Salvation Army campus to care for transitioning individuals. This area had previously been identified as a space for possible extra camper capacity. The women were temporarily placed at that location, and over the next several days it was determined that it would be best if we had a port-a-potty, a washing station, and a dumpster for their needs instead of using Lodge facilities. City personnel were a part of this decision to use this additional location. Once the women were relocated to a more permanent place, Baldwin Portable Toilets was contacted to remove their units, and billing ceased.

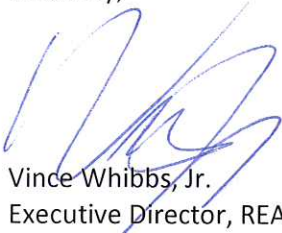
2. Review of REAP's Accounting Records (Item 4): The request for reimbursement for \$511 for a banner sign made by Speed-D-Print was correctly determined to be improper. The banner was made for REAP's Thrift Store and was improperly charged to this contract. This amount should be deducted from REAP's next request for reimbursement; if preferred, we will promptly deliver a reimbursement check.
3. Review of REAP's Bank Statements (Item 5): We have instituted some additional procedures to ensure that all fees and donations related to either Max-Well Respite Center, Lodges, or Camp One are properly coded and deposited within one business day to REAP's general account, and then transferred back to the banking account for Max-Well, Lodges, or Camp One as needed. This will be done by the second business day following receipt to provide enough time to be reflected in REAP's main account, with the transfer reflected on the next day.
4. Recommendation 6.1 Documentation of Policies and Procedures: After receiving the Report, REAP has instituted a number of changes in its financial policies and procedures. These include the following: (a) a REAP Financial Policies and Procedures Handbook has been developed and is maintained by REAP's Executive Assistant/Office Manager. REAP personnel dealing with these policies and procedures will be provided with copies as appropriate and will be trained in the proper performance of their responsibilities. A written acknowledgment of this training will be placed in the employee's personnel file; (b) a Purchase Order/Requisition Procedure has been established with appropriate forms, and all purchases/requests must follow this procedure. This procedure includes documentation of need, cost, receipt for purchase, and payment method, together with managerial approval required for purchases in excess of \$200; and (c) identification of a REAP Purchasing Agent with overall responsibility for general REAP purchasing, not just for expenses for which REAP expects reimbursement. A copy of REAP's Financial Policies and Procedures will be provided to the Finance Director, City of Pensacola.
5. Recommendation 6.2 Purchase Orders: As described in 4(b) above, REAP has now created and instituted the use of a new purchase order form and a revised set of policies and procedures related to purchase orders.
6. Recommendation 6.3 Receipt of Goods: Effective immediately, REAP requires that all purchases be delivered to the main office or to the program requesting them, with appropriate documentation showing the receiving party, thereby prohibiting any deliveries to personal residences or after-hours delivery.
7. Recommendation 6.4 Debit/Procurement Card Policies and Procedures: REAP is in the process of revising procurement card policies and procedures, with a target date of 2/24/23 for final revision to the existing policies and completion of staff training.
8. Recommendation 6.5 Debit Card Authorization: See #7, supra.
9. Recommendation 6.6 Fuel Use Documentation: REAP will no longer reimburse employees for fuel expense in personal vehicles or seek reimbursement from the City for these expenses. Employees can use company vehicles for company purposes.
10. Recommendation 6.7 Separation of Program Funds: Because of cash flow considerations caused by the requirement that funds for programs must be first advanced by REAP with reimbursement requested subsequently, it is sometimes necessary that transfers from REAP's main account be made to the separate program accounts to cover the program's current expense needs. When funds for reimbursement are received, they will be deposited in REAP's main account, thus reimbursing REAP's main account for amounts previously advanced. We will continue this process, but REAP's accounting office will review all receipts, deposits, transfers, and provide copies of same to the City of Pensacola.

11. Recommendation 6.8 Accounting System: REAP has revised policies related to receipts and disbursements to ensure consistency. Additionally, differences between reimbursements requested and receipts made by City will be more accurately tracked.
12. Recommendation 6.9 Reporting: After initial discussions with Opening Doors of NWFL, Inc. and City of Pensacola staff, REAP has been utilizing the Homeless Management Information System (HMIS) for regular and consistent reporting of REAP clients. This system is updated every day. Additionally, at the request of the Escambia County Sheriff's Office (ECSO) and State Rep. Michelle Salzman, REAP reports daily listings for the number of overnight accommodations to the dashboard program implemented by the ECSO. We will continue to use this reporting system. With respect the monthly financial statements, we will provide the Financial Summary Sheets each month to the City's Financial Director.
13. Recommendation 6.10 Payroll: REAP acknowledges that there has been some inconsistency in the tracking of employees' time on Agreement initiatives. A revised Employee Time Sheet Policy has been developed and made effective immediately, which requires both timely and accurate completion.
14. Regarding Ms. Johnson's allegations re cash donations: As part of her job responsibilities, Ms. Johnson was required to issue a receipt to each donor of funds for the Max-Well Center/Camp One program, to promptly turn the funds over to REAP, and to receive a receipt for the funds delivered to REAP. On four occasions Ms. Johnson turned funds in to REAP and she received receipts for the donations. These funds were deposited in REAP's general bank account, typically the next business day. Approximately three months ago, REAP made a change in our deposit procedures so that funds received from the several programs were not commingled in a single deposit but were separately identified. This procedure continues in effect.

We have been provided with information that a substantial contribution was made to Fearless Community, Inc. for the benefit of Max-Well Respite Center. These funds were never received by REAP.

Again, REAP appreciates that this matter is being concluded, and we hope that the recent and forthcoming changes made by REAP to its financial policies and procedures as recommended by Carr, Riggs & Ingram, LLC will meet the satisfaction of the City of Pensacola.

Sincerely,



Vince Whibbs, Jr.
Executive Director, REAP



Vince Whibbs <vincewhibbs@gmail.com>

C03F1A-Re Entry Alliance Pensacola (REAP)- FY 22-23 CPE

3 messages

Holloway, Laquilla <Laquilla.Holloway@fdc.myflorida.com>

Thu, Feb 9, 2023 at 7:20 AM

To: Vince Whibbs <vincewhibbs@gmail.com>, Melinda Heim <melindaheim@reapreentry.org>, Richard Lynch

<richardlynch@reapreentry.org>

Cc: "Young, Brooke" <Brooke.Young@fdc.myflorida.com>, "Thomas, Tameka" <Tameka.Thomas@fdc.myflorida.com>, "Bradley, Charlton" <Charlton.Bradley@fdc.myflorida.com>, "Holmes, Suzanne" <Suzanne.HOLMES@fdc.myflorida.com>, "Dey, Kevin" <Kevin.Dey@fdc.myflorida.com>, BRCT-CC Monitoring Documents <BRCT-CCMonitoringDocuments@fdc.myflorida.com>, "Lawson, Bonnie" <Bonnie.Lawson@fdc.myflorida.com>, "Reed, Maleah" <Maleah.Reed@fdc.myflorida.com>, "Agerton, Maggie" <Maggie.Agerton@fdc.myflorida.com>, "Shipman, Mechelle" <Mechelle.Shipman@fdc.myflorida.com>

Good Morning Mr. Whibbs,

Attached you will find the results of the Annual Comprehensive Program Evaluation (CPE) that was conducted at your Organization on 1/23/2023 by the Department. Your organization scored a 100% overall.

Congratulations! All standards are compliant and no Corrective Action Plan (CAP) is due.

Please acknowledge receipt.

If you have any questions or concerns, please contact the Department.

Thank you for all you do!

Sincerely,

La'Quilla A. Holloway, M.S.; FCCM

Operations Review Specialist

Florida Department of Corrections

100 E. Gaines Street

Tallahassee, Florida 32301

Office Phone: (850) 412-2582

Cell Phone: (850) 661-4537

Fax Number: (850) 487-1490



Inspiring Success by Transforming One Life at a Time

Respect ★ Integrity ★ Courage ★ Selfless Service ★ Compassion

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 **C03F1A Re-Entry Alliance Pensacola Inc. (REAP) 01-23-23.xls**
415K

Vince Whibbs <vincewhibbs@gmail.com>
To: "Holloway, Laquilla" <Laquilla.Holloway@fdc.myflorida.com>

Thu, Feb 9, 2023 at 7:43 AM

I received the report and that is great news. The REAP Team is justifiably proud of its accomplishments, and we express our appreciation to you and the FDOC staff that we work with every day to accomplish our joint missions. Thank you!
Vinnie

[Quoted text hidden]

Holloway, Laquilla <Laquilla.Holloway@fdc.myflorida.com>
To: Vince Whibbs <vincewhibbs@gmail.com>
Cc: "Young, Brooke" <Brooke.Young@fdc.myflorida.com>

Thu, Feb 9, 2023 at 7:44 AM

Mr. Whibbs,

You are more than welcome! We could not do this without you! 😊

La'Quilla A. Holloway, M.S.; FCCM

Operations Review Specialist

Florida Department of Corrections

100 E. Gaines Street

Tallahassee, Florida 32301

Office Phone: (850) 412-2582

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Re-Entry Alliance
Pensacola, Inc.

RE-ENTRY ALLIANCE PENSACOLA, INC.

P.O. Box 13224
(850) 332-6677

Vinnie Whibbs, Executive Director

Pensacola, Florida 32591

www.reapreentry.org

Rich Lynch, Director of Operations

January 30, 2023

Donn G. Scott, C.P.A.
Keri Litton
Scott, Holmes & Associates, P.A.
801 West Garden Street
Pensacola, FL 32502

Dear Don and Keri:

Our Treasurer Dick Baker provided me with a copy of Re-Entry Alliance Pensacola, Inc.'s 2021 Federal Income Tax Return which has recently been filed. He also included was a standard letter of engagement for the coming year, which I have signed, and it is included for your records.

I was also provided with your bill for professional services rendered which reflected "No amount due." Needless to say that was a most unexpected and pleasant surprise, for which we are most appreciative. I recognize that the preparation of our return is both a time-consuming and sometimes frustrating process, but you handled this in a most professional manner. Thank you very much both for your professionalism and generosity.

We look forward to a continuing relationship and wish you much success in 2023.
Sincerely,

Vince Whibbs, Jr.
Executive Director, REAP

cc: REAP Board Members

Scott, Holmes & Associates, P.A.
801 West Garden St
Pensacola, FL 32502
850-444-9800

January 16, 2023

CONFIDENTIAL

Re-Entry Alliance Pensacola, Inc.
P.O. Box 13224
Pensacola, FL 32591

Dear Al:

This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements.

We will prepare your federal and state exempt organization returns from information which you will furnish to us. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you for clarification of some of the information.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all the documents, cancelled checks and other data that form the basis of these returns. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the tax returns and, therefore, you should review them carefully before you sign them.

Our work in connection with the preparation of your tax returns does not include any procedures designed to discover defalcations and/or other irregularities, should any exist. We will render such accounting and bookkeeping assistance as determined to be necessary for preparation of the tax returns.

The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or the circumstances of these penalties, please contact us.

Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, we will be available upon request to represent you and will render additional invoices for the time and expenses incurred.

Our fee for these services will be based upon the amount of time required at standard billing rates plus out-of-pocket expenses. All invoices are due and payable upon presentation.

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office. However, if there are other tax returns you expect us to prepare, please inform us by noting so at the end of the return copy of this letter.

We want to express our appreciation for this opportunity to work with you.

Very truly yours,

Scott, Holmes & Associates, P.A.
Donn G. Scott, C.P.A.

Accepted By:  Executive Director REAP

Date: 1/30/23

RECEIPT AND ACKNOWLEDGEMENT

This is confirmation that I have completed REAP's Financial Services Policies and Procedures Training, have received a copy of the Financial Policies and Procedures Handbook, and that I will comply with the provisions required by the Handbook.

Dated this the ____ day of _____, 2023.

Employee

Witness: Manager

Financial: Receipt and Acknowledgment Financial Policies 021623



Vince Whibbs <vincewhibbs@gmail.com>

Designation of REAP's Purchasing Agent

2 messages

Vince Whibbs <vincewhibbs@gmail.com>

Fri, Feb 17, 2023 at 8:03 AM

To: Melinda Heim <melindaheim@reapreentry.org>, Richard Lynch <richardlynch@reapreentry.org>, Nicholas Buli <nicholasbuli@reapreentry.org>, John Burke <johnburke@reapreentry.org>, Shelithia Davidson <shelithiaDavidson@reapreentry.org>, Jim Churchill <jimchurchill@reapreentry.org>, Gay Lanzarotta <gaylanzarotta@reapreentry.org>, Audra Francis <audrafrancis@reapreentry.org>, Christopher Schang <ChristopherSchang@reapreentry.org>, Eddie Myrick <eddiemyrick@reapreentry.org>, Kevin Eason <kevineason0@gmail.com>, Laura Kennedy <laurakennedy@reapreentry.org>, Troy Watts <troywatts@reapreentry.org>, Paul Kennedy <Paulk3801@gmail.com>

This is to confirm that effective February 14, 2023, I have designated Audra Francis as REAP's primary Purchasing Agent, and Gay Lanzarotta as Assistant Purchasing Agent with overall responsibility for ensuring that REAP's Purchasing Policies are complied with. This includes the issuance and proper completion of Purchase Orders and Requisitions, collection and storing of receipts for all purchases, and ensuring that proper coding is reflected on all documentation related to purchases. Audra will be the person responsible for the purchases related to The Lodges, Max-Well Respite Center, and Camp One. Gay has primary responsibility for all purchases and charges related to REAP's Re-Entry Program activities. If either person is unavailable, then please contact the other.

As additional clarification to this process, Rich Lynch has responsibility for filing the monthly FDOC requests for reimbursement, and for the DOH Children's Food Program once it gets established; Gay has the responsibility for applying for GEO reimbursement; Audra for reimbursement from the City of Pensacola and Escambia County. Melinda has supervisory responsibility to ensure proper and timely submission of requests for payment over each of these reimbursement areas, together with filing for Opening Doors, United Way, and all E S & G program reimbursements.

To the extent that your responsibilities would involve the need for purchases, remember that the revised Purchase Order/Requisition Policy is now in effect. Your full cooperation is requested. If you have any questions, please see me. Thank you. Vinnie

REAP FINANCIAL POLCY AND PROCEDURES

PURCHASE ORDER/REQUISITION POLICY

FEBRUARY 17, 2023

Effective February 17, 2023, the following policies and procedures are in effect related to all purchases made for REAP:

1. Purchases for goods and services for REAP can only be made with a completed Purchase Order/Requisition form, a copy of which is attached hereto. Purchase Order/Requisition Forms are available from Audra Francis, Gay Lanzarotta, or Melinda Heim.
2. The Purchase Order/Requisition Form must be completely filled out, and approved by the appropriate REAP Program Director, Office Manager, or Executive Director.
3. A Program Manager has the authority to approve purchases not exceeding \$200.00. All purchases in excess of \$200.00 must be approved by REAP's Executive Director, Office Manager, or Treasurer.
4. The documentation for all purchases made with a debit/credit card must be turned in no later than 10:00 AM the following business day, including the charge card receipt.
5. Be mindful that savings can be made sometimes by bulk purchasing or by judicious shopping, and that REAP has a designated Purchasing Agent, Audra Francis, to help keep REAP's costs at a minimum. Prior to making an individual purchase, please check with her.

USE OF REAP'S DEBIT/CREDIT CARD

The use of REAP's debit/credit card by REAP employees is conditioned on the following basic rules:

1. The use of the card for purchases is strictly limited to authorized REAP expenditures. The card may not be used for personal purchases at any time.
2. The person utilizing the card for a purchase is responsible for delivering the charge slip to the REAP office no later than the morning of the day following the purchase.
3. In compliance with REAP's Purchase Order policy, a completed Purchase Order must be delivered to the REAP main office, together with the charge receipt. When necessary because of the size of the charge, the Purchase Order must contain the approval of the appropriate Program Director.
4. Any unauthorized purchases will be charged back to the individual utilizing the card.
5. Lost, misplaced, or damaged cards should be reported promptly to REAP's Main Office.
6. In those cases where the card is used at a gas station and the outside printer is not working, you need to request a receipt from the station's cashier.

REAP FINANCIAL POLICIES AND PROCEDURES

DELIVERY OF ORDERED MATERIAL

FEBRUARY 17, 2023

We are increasingly utilizing on-line ordering for materials, supplies, food, and other items regularly used in REAP's day to day activities. This necessitates delivery to specific locations, and sometimes after-hours/weekend delivery. We have recently experienced some problems with these deliveries, and in an effort to minimize the possibility of missing deliveries, effective immediately, all deliveries should be to 1000 West Blount Street, Pensacola, Florida, where the delivery will be receipted by REAP staff. Upon receipt, arrangements will be made for delivery to the appropriate program.

In those cases where material is ordered on-line for in-store pick-up, the person doing the pick-up is responsible for delivering the material to the appropriate program and obtaining a signature acknowledging delivery from the program staff, normally on the Purchase Order form.

Financial: Ordering and Delivery Policy 021723

REAP FUEL REIMBURSEMENT POLICIES

It is REAP's policy regarding automobile usage that whenever possible, REAP employees use REAP vehicles for REAP business. Drivers of REAP vehicles are responsible for operating in a safe and courteous manner and obeying all traffic laws. A valid current Florida Driver's License is required before using a REAP vehicle.

When operating a REAP vehicle, you are responsible for notifying the Transportation Director of any mechanical problems or issues, or items that are not operating properly so that we can make any necessary repairs. REAP debit/credit cards should be used for gas/oil purchases.

In those cases where it is necessary for you to use your personal vehicle, REAP will reimburse for the fuel you use, provided you provide a receipt for the purchase amount. If you regularly use your vehicle for company purposes, and expect reimbursement for the fuel you use, you will need to keep a travel log reflecting trip starting and ending mileage from the odometer, purpose of trip, date, and time.

Financial Fuel Use Policies 021723:

TIMECARD POLICY AND PROCEDURE

REAP is revising its policy regarding timecards and time sheets, to be effective immediately as follows:

PAYROLL POLICY

Re-Entry Alliance Pensacola, Inc. (REAP) is contracted with LandrumHR Payroll Services to complete its employee payroll. Payday is every other Friday. Each employee has an opportunity to set up direct deposit through LandrumHR. If direct deposit is used, payroll will be deposited in the employee's banking account and will be available for access Friday morning. If an employee has elected to receive a live (paper) check, their paycheck will be available for pick up at the main REAP Office. Barring unforeseen complications, live checks are delivered by courier from LandrumHR to the main REAP Office by 8:30 am on Friday.

TIMECARD PROCEDURE

1. **TIMECARDS:** At the main office, if that is your assigned duty station there is a time clock which is intended to provide the basic information required by the Wage and Hour Division of the Department of Labor for employees. This clock and the cards that are placed there for use, are expected to be used for time keeping purposes and form the basis for payroll preparation. Please punch in on your arrival and out on your departure for the day. For the few times that you forget to do either, you will need to handwrite in the missing information and sign it. These cards will be collected on Wednesday afternoon, either Melinda or I will review them, and then the number will be sent to LandrumHR for payroll preparation.
2. **TIMESHEETS:** For all other REAP employees, in order to get paid you must complete a time sheet which will reflect your name, the days that you worked this pay period, the actual hours you worked, and the total hours worked for the pay period. The form needs to be signed by you, approved by your manager, and submitted no later than Wednesday afternoon by 4:00 PM in order to be paid. Your Program Director will deliver these Time Sheets to the REAP office who will review and submit the sheets to LandrumHR for payroll preparation.
3. For any individuals not enrolled in LandrumHR, the Time Sheets must be prepared, signed as provided above, approved by the Program Manager, and then delivered by the Program Manager to the REAP office where individual checks will be prepared for delivery on Friday.
4. REAP is revising the Time Sheets to minimize the signing by the employee including a "Total Hours Worked" space, and ensuring a place for managerial approval. I know how important it is to receive your pay, so please ensure that you fully comply with these policies as they relate to you.

Max-Well Respite Center
Timecard/Time Sheet Policy Procedure

-Each workday, the employee is responsible to sign in at the beginning and out at the end of their shift with their signature before handing the keys and phone over to the next shift.

NOTE: Any time that is not correctly logged will be added to the next paycheck.

-At the end of each pay period the Program Director or designated person will review the time sheets and sign verifying that the time worked is correct and accurate.

-These verified sheets will be brought to the Main REAP office for processing no later than 8am Thursday.

-All timesheets MUST BE signed by both the Employee and Program Director for payroll to be processed.

-Submission of unsigned sheets will result in pay being withheld until the issue is resolved.

REAP FINANCIAL POLICIES AND PROCEDURES

RECEIPT OF DONATIONS

2/17/2023

The following procedure for REAP accepting donations is in effect as of February 17, 2023:

1. The donor is advised that all donations are classified as "UNRESTRICTED" unless the donor specifies otherwise.
2. All checks and/or money orders are to be made payable to "Re-Entry Alliance Pensacola, Inc." or to "REAP."
3. The donor of any cash donation must be provided a numbered REAP receipt, signed by person receiving the cash, including date and if there is any restriction on use.
4. All cash donations must be turned in to REAP's Main Office no later than 24hours after receipt. The office will issue a second receipt reflecting amount, date, purpose, donor information, and referencing the original receipt.
5. Within two (2) business days following receipt, a written Thank You Letter will be sent to the donor, expressing REAP's appreciation and containing IRS deduction information. The person originally accepting the donation is responsible for ensuring that the appropriate letter is sent to the donor.



**Re-Entry Alliance
Pensacola, Inc.**

RE-ENTRY ALLIANCE PENSACOLA, INC.

P.O. Box 13224

(850) 332-6677

Vinnie Whibbs, Executive Director

Pensacola, Florida 32591

www.reapreentry.org

Rich Lynch, Director of Operations

March 8, 2023

BY EMAIL TO: YMcLellan@cityofpensacola.com

Mrs. Yvette McLellan
City of Pensacola
222 West Main Street
Pensacola, Florida 32502

Dear Yvette:

In response to your email of March 7, 2023, and as a supplement to my letters to the City of Pensacola dated February 17 and February 20, 2023, I have attached copies of REAP's Financial Services Policies and Procedures which went into effect on February 17, 2023.

These documents include the following:

1. Receipt and acknowledgment.
2. Copy of email designating REAP's Purchasing Agents.
3. Purchase Order/Requisition Policy.
4. Use of REAPO's Debit/Credit Card Policy.
5. Policy regarding Delivery of Ordered Material.
6. REAP's Fuel Reimbursement Policies.
7. REAP's Timecard Policy and Procedure.
8. Max-Well Timecard Policy and Procedure.
9. REAP's Receipt of Donations Policy.

These documents were prepared as a result of REAP's response to well-advised recommendations included in the Forensic Examination Report prepared by Carr, Riggs & Ingram, LLC, as well as recent recommendations by REAP's accounting firm, Holmes and Company, CPAs. I have also attached a copy of a document related to "Cash Controls and Segregation of Duties Best Practices" which our firm provided to REAP.

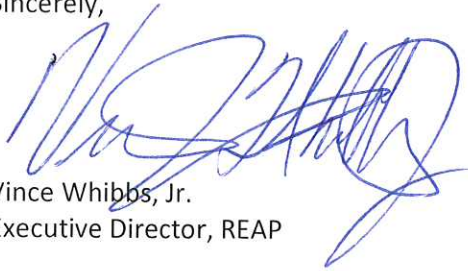
The attached forms are incorporated into an Employee Handbook which is provided to each new employee at time of hiring. They are required to sign a receipt acknowledging that they have received the handbook and agree to abide by the policies and procedures contained within. We have started the

process of having all current employees execute similar receipts for the Financial Policies and Procedures, and we expect to have this process completed by next week. We are also making changes to our debit/credit card procedures, which includes the opening a new account at a different banking institution to allow us to more carefully control the use of the cards. This process will be completed by this Friday.

REAP acknowledges that REAP and the City of Pensacola are "partners" in the allocation and use of funds to assist the unhoused in our community, and assure the City that REAP will use our best efforts to comply with sound financial practices regarding the use of public funds.

If you have any questions, please contact me personally.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Vince Whibbs, Jr.', with a stylized, cursive script.

Vince Whibbs, Jr.
Executive Director, REAP

RECEIPT AND ACKNOWLEDGEMENT

This is confirmation that I have completed REAP's Financial Services Policies and Procedures Training, have received a copy of the Financial Policies and Procedures Handbook, and that I will comply with the provisions required by the Handbook.

Dated this the ____ day of _____, 2023.

Employee

Witness: Manager

Financial: Receipt and Acknowledgment Financial Policies 021623



Vince Whibbs <vincewhibbs@gmail.com>

Designation of REAP's Purchasing Agent

2 messages

Vince Whibbs <vincewhibbs@gmail.com>

Fri, Feb 17, 2023 at 8:03 AM

To: Melinda Heim <melindaheim@reapreentry.org>, Richard Lynch <richardlynch@reapreentry.org>, Nicholas Buli <nicholasbuli@reapreentry.org>, John Burke <johnburke@reapreentry.org>, Shelithia Davidson <shelithiaDavidson@reapreentry.org>, Jim Churchill <jimchurchill@reapreentry.org>, Gay Lanzarotta <gaylanzarotta@reapreentry.org>, Audra Francis <audrafrancis@reapreentry.org>, Christopher Schang <ChristopherSchang@reapreentry.org>, Eddie Myrick <eddiemyrick@reapreentry.org>, Kevin Eason <kevineason0@gmail.com>, Laura Kennedy <laurakennedy@reapreentry.org>, Troy Watts <troywatts@reapreentry.org>, Paul Kennedy <Paulk3801@gmail.com>

This is to confirm that effective February 14, 2023, I have designated Audra Francis as REAP's primary Purchasing Agent, and Gay Lanzarotta as Assistant Purchasing Agent with overall responsibility for ensuring that REAP's Purchasing Policies are complied with. This includes the issuance and proper completion of Purchase Orders and Requisitions, collection and storing of receipts for all purchases, and ensuring that proper coding is reflected on all documentation related to purchases. Audra will be the person responsible for the purchases related to The Lodges, Max-Well Respite Center, and Camp One. Gay has primary responsibility for all purchases and charges related to REAP's Re-Entry Program activities. If either person is unavailable, then please contact the other.

As additional clarification to this process, Rich Lynch has responsibility for filing the monthly FDOC requests for reimbursement, and for the DOH Children's Food Program once it gets established; Gay has the responsibility for applying for GEO reimbursement; Audra for reimbursement from the City of Pensacola and Escambia County. Melinda has supervisory responsibility to ensure proper and timely submission of requests for payment over each of these reimbursement areas, together with filing for Opening Doors, United Way, and all E S & G program reimbursements.

To the extent that your responsibilities would involve the need for purchases, remember that the revised Purchase Order/Requisition Policy is now in effect. Your full cooperation is requested. If you have any questions, please see me. Thank you. Vinnie

REAP FINANCIAL POLCY AND PROCEDURES

PURCHASE ORDER/REQUISITION POLICY

FEBRUARY 17, 2023

Effective February 17, 2023, the following policies and procedures are in effect related to all purchases made for REAP:

1. Purchases for goods and services for REAP can only be made with a completed Purchase Order/Requisition form, a copy of which is attached hereto. Purchase Order/Requisition Forms are available from Audra Francis, Gay Lanzarotta, or Melinda Heim.
2. The Purchase Order/Requisition Form must be completely filled out, and approved by the appropriate REAP Program Director, Office Manager, or Executive Director.
3. A Program Manager has the authority to approve purchases not exceeding \$200.00. All purchases in excess of \$200.00 must be approved by REAP's Executive Director, Office Manager, or Treasurer.
4. The documentation for all purchases made with a debit/credit card must be turned in no later than 10:00 AM the following business day, including the charge card receipt.
5. Be mindful that savings can be made sometimes by bulk purchasing or by judicious shopping, and that REAP has a designated Purchasing Agent, Audra Francis, to help keep REAP's costs at a minimum. Prior to making an individual purchase, please check with her.

USE OF REAP'S DEBIT/CREDIT CARD

The use of REAP's debit/credit card by REAP employees is conditioned on the following basic rules:

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FEBRUARY 17, 2023

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REAP FINANCIAL POLICIES AND PROCEDURES

RECEIPT OF DONATIONS

2/17/2023

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3. The donor of any cash donation must be provided a numbered REAP receipt, signed by person receiving the cash, including date and if there is any restriction on use.
4. All cash donations must be turned in to REAP’s Main Office no later than 24hours after receipt. The office will issue a second receipt reflecting amount, date, purpose, donor information, and referencing the original receipt.
5. Within two (2) business days following receipt, a written Thank You Letter will be sent to the donor, expressing REAP’s appreciation and containing IRS deduction information. The person originally accepting the donation is responsible for ensuring that the appropriate letter is sent to the donor.

Cash Controls and Segregation of Duties Best Practices

Segregation of duties is considered an effective preventative control over misuse of funds for nonprofits. The basic philosophy behind segregation of duties is that no one person is responsible for the custody of a nonprofit's assets as well as recordkeeping for those assets. In the case of particularly small nonprofits, we recommend asking Board volunteers to assist to the extent possible (like signing checks, reviewing bank reconciliations, etc.) to limit situations like this. Below are some common suggestions to help minimize conflicting duties within an organization.

- 1) **Cash and Check receipts** – if possible, include one person without accounting duties in the initial opening and receiving of mail that includes checks. Endorsing checks to an account of the organization before it is turned over to accounting/accounts receivable department is an additional control over custody of cash. Some organizations use a cash receipts log for incoming cash and checks that can be spot checked by the CFO or someone else that is not responsible for depositing cash at the bank as another control to ensure deposits are complete and accurate. Discourage customers/clients from giving cash and provide receipts for all collections in person. Copies of receipts can later be spot checked by someone not responsible for recording collections into the accounting system as another control.
- 2) **Cash disbursements** – To the extent possible, individuals cutting checks to vendors should not also be responsible for approving invoices. Check signers in general, should not also be responsible or have access to entering invoices into the accounting system. Requiring more than one signature on large disbursements is helpful. Regularly have Board leadership review internal financials, including budget variance reports, for excessive expenses over budget.

**Appendix: Segregation of Duties for Primary Accounting Functions –
Cash Receipts, Cash Disbursements, Payroll
(developed by the University System of Georgia)**

Two-Person Office

Business Manager

Mail Checks
Write checks
Approve payroll

Record accounts receivable entries
Receive cash
Disburse petty cash
Reconcile bank statements
Authorize purchase orders
Authorize check requests
Authorize invoices for payment
Record credits/debits in accounting records
Record G/L entries

Chief Financial Officer

Approve and sign checks
Sign employee contracts
Distribute payroll
Process vendor invoices
Complete deposit slips
Reconcile petty cash
Perform interbank transfers
Receive, open & review bank statements
Review bank reconciliations

Three-Person Office

Bookkeeper

Record A/R entries
Reconcile petty cash
Write checks
Record general ledger entries
Reconcile bank statements
Process vendor invoices
Record debits/credits in accounting record

Office Manager

Mail checks
Disburse petty cash
Approve invoices
Authorize purchase orders
Approve payroll
Receive cash
Distribute payroll
Authorize time sheets

Chief Financial Officer

Sign checks
Complete deposit slips
Perform interbank transfers
Sign employee contracts
Receive, open & review bank statements
Review bank reconciliations

Four-Person Office

Bookkeeper

Record A/R entries
Reconcile petty cash
Write checks
Record G/L entries
Reconcile bank statements
Record debits/credits in accounting records

Clerk

Distribute payroll
Receive cash
Disburse petty cash
Authorize POs
Authorize check requests
Mail checks

Office Manager

Complete deposit slip
Approve invoices
Approve payroll
Process vendor invoices

Chief Financial Officer

Sign checks
Sign employee contracts
Approve time sheets
Perform interbank transfers
Receive, open & review bank statements
Review bank reconciliations