



John A. Carey
Inspector General

OFFICE OF INSPECTOR GENERAL
PALM BEACH COUNTY



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“Enhancing Public Trust in Government”

Investigative Report

2018-0004

City of Pahokee Holiday Schedule and Bonus Pay

May 6, 2019



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INVESTIGATIVE REPORT 2018-0004

DATE ISSUED: MAY 6, 2019



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CITY OF PAHOKEE

HOLIDAY SCHEDULE AND BONUS PAY

SUMMARY

WHAT WE DID

On December 27, 2017, the Palm Beach County Office of Inspector General (OIG) received a complaint alleging that in 2017, City of Pahokee (City) Manager Chandler Williamson (City Manager Williamson) inappropriately closed City Hall and gave City employees paid vacation without authorization from the City Commission.

The Complainant also alleged that City Manager Williamson improperly awarded holiday cash bonuses to all City Staff in 2016 and 2017 without City Commission authorization. Based upon the concerns expressed by the Complainant and our preliminary review of documents provided to our office, we initiated an investigation of the following allegations:

Allegation (1): Pahokee City Manager Chandler Williamson improperly closed City Hall and gave City employees multiple paid holidays in December 2017 without authorization from the City Commission. We expanded the scope of our review to include the period from November 2015 until December 2017.

Allegation (2): Pahokee City Manager Williamson inappropriately awarded bonuses of approximately \$100 to each

City employee during December 2016 and December 2017.

Our investigation included review of City Ordinances; the City's Personnel Rules and Regulations Manuals; e-mails; City Hall closure notices; City Commission Meeting Agendas and Minutes; employee time records; and information provided by the City regarding employee bonuses. We also interviewed multiple current and past City employees, including City Manager Williamson and current and former elected City officials.

WHAT WE FOUND

Allegation (1) is supported. Pahokee City Manager Chandler Williamson improperly closed City Hall for full or partial days not specifically authorized by City Ordinance Sec. 2-1 - "Legal holidays; closing of city hall" (City Ordinance). The City Ordinance enumerates dates when City Hall will be closed and reserves to the City Commission the authority to select two additional days at budget approval each year. From November 2015 through December 2017, City Manager Williamson's unauthorized closures of City Hall resulted in the City potentially paying thousands of dollars to employees out of its budget for employment services that

were not rendered and potentially prevented City residents from accessing some City services on dates and times when City Hall should have been open for business.

Allegation (2) is supported. The OIG found that the City Manager Williamson inappropriately awarded bonuses to City full-time and part-time employees and interns in December 2016 and December 2017. However, the City did not provide sufficiently reliable records to allow our office to confirm or validate the total amount awarded in bonuses.

WHAT WE RECOMMEND

Our report contains two (2) findings and three (3) recommendations. Implementing these recommendations will assist the City in complying with applicable statutes and ordinances.

The OIG recommends that:

1. The City closes City Hall only on those dates permitted by its City Ordinance.
2. That the City Commission approves at its budget meeting the two additional City Hall closure days as permitted under its City Ordinance.
3. If the City wishes to develop an employee bonus program, that the City Commission should approve a policy, rule, or resolution that complies with the requirements of section 215.425, Florida Statutes.



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BACKGROUND

The City of Pahokee was founded in the early 1900s,¹ and was named for the Seminole word meaning "grassy waters." In March 1922, the City was incorporated. According to information provided by the U.S. Census bureau for the year 2019, the population of Pahokee is 5,649.²



The City Commission is the legislative body of City government. The City Commission consists of a Mayor-Commissioner and four Commissioners who are elected by popular vote of Pahokee registered voters to three-year terms. The City Commission selects its Vice Mayor. The City Commission determines the policies, direction, and levels of service of City government.³

City Charter - Governance

Article II, *City Commission*, Section 2.05 of the City's Charter provides:

All powers of the city shall be vested in the city commission except those powers **specifically given** to the Charter officers or specifically reserved by this Charter to the electors of the city. [Emphasis added]

Article III, *Charter Officers*, Section 3.01 of the City Charter identifies the city manager and city clerk as charter officers. The city manager and city clerk are appointed by and serve at the pleasure of the City Commission. Article III, Section 2-92 of the City's Code of Ordinances further specifies that the city manager and city clerk are at-will employees.

¹ http://www.cityofpahokee.com/Pages/PahokeeFL_WebDocs/about

² <https://suburbanstats.org/population/florida/how-many-people-live-in-pahokee>

³ http://www.cityofpahokee.com/Pages/PahokeeFL_Commission/index

Article III, *Charter Officers*, Section 3.04 of the City's Charter states:

City manager; powers and duties.

The city manager when necessary shall **appoint, suspend, demote, or dismiss any city employee** under his jurisdiction in accordance with law and the **personnel rules**, and may authorize any department head to exercise these powers with respect to subordinates. **The city manager shall direct and supervise the administration of all departments** of the city and shall attend all city commission meetings unless excused by the commission and shall have the right to take part in discussions, but not to vote. **He shall see that all laws, Charter provisions, ordinances, resolutions, and other acts of the commission subject to enforcement by him are faithfully executed.** The city manager shall prepare and submit the **annual budget**, budget message, and capital program to the commission, shall keep the commission fully advised as to the financial condition and future needs of the city, and **shall make such recommendations to the commission concerning the affairs of the city as he deems desirable**.....[Emphasis added]

Chandler Williamson has been the Pahokee City Manager since April of 2015.

ALLEGATIONS AND FINDINGS

Allegation (1):

Pahokee City Manager Chandler Williamson improperly closed City Hall and gave City employees multiple paid holidays without authorization from the City Commission.

Finding:

The allegation is **supported**.

City Ordinance- Closure of City Hall

During all periods relevant to this investigation, Chapter 2 *Administration*, Article I, Section 2-1 of the Code of Ordinances, City of Pahokee, Florida, last amended on October 27, 2009, stated:

Legal holidays; closing of city hall.

- (a) The following are legal and public holidays of the city:
- (1) New Year's Day, January 1;
 - (2) Martin Luther King, Jr. Day, third Monday in January;
 - (3) Washington's Birthday, third Monday in February;
 - (4) Memorial Day, last Monday in May;
 - (5) Independence Day, July 4;
 - (6) Labor Day, first Monday in September;

Additional City Hall Closure Dates and Holidays for All Employees That Were Not Specifically Identified by Ordinance nor Approved by the City Commission as additional holidays

On Tuesday, September 26, 2017, the City Commission approved the FY 2018 Budget for the period commencing October 1, 2017 and ending September 30, 2018. The Minutes do not reflect the City Commission's approval of additional holidays for closure of City Hall.

In response to a request from our office regarding holiday closure dates in 2017, the City Clerk provided our office with a list of holidays for the City for 2017-2018, which included the following:

- | | | |
|---------------------------------|-------------------|-----------|
| 11. Floating Holiday (Voted-On) | November 22, 2017 | Wednesday |
| 12. Floating Holiday (Voted-On) | December 22, 2017 | Friday |

The City provided no Minutes to reflect a City Commission vote on those dates, and on January 25, 2019, the City Attorney Gary Brandenburg advised our office,

"The Clerk cannot find any records showing Commission approval for vacation days of 11/22/17 or 12/22/17."

In support of the decision to close City Hall for full and partial days that were not approved by the City Commission, the City Staff provided our office with the City's Manual of City Personnel Rules and Regulations dated 2013 and 2016 (2013 Manual and 2016 Manual, respectively).

City's 2013 Personnel Manual

The 2013 Manual, revised by the City Attorney on May 8, 2013 and dated prior to City Manager Chandler Williamson's hire by the City, makes no specific reference to days for closing City Hall. The Manual, however, outlines on page 22-31, the City's regulations relating to various forms of leave (i.e., personal, sick, vacation, and maternity leave) applicable to full time City employees. The Manual notes that twelve paid holidays recognized each year for all **full-time** City employees as follows:

HOLIDAYS

Defined

The number of paid holidays is subject to change each year by the City Commission as necessary based on budgetary considerations. The following twelve Holidays are paid holidays recognized each year for all full-time City employees:

1. New Year's Day
2. President's Day
3. Martin Luther King, Jr. Day
4. Memorial Day
5. Independence Day
6. Labor Day
- 7&8. **Up to two (2) days determined by Commission each budget session**
9. Veteran's Day
10. Thanksgiving Day
11. Day After or Day before Thanksgiving Day
12. Christmas Day

.....

THE COMPLETE HOLIDAY SCHEDULE IS SUBJECT TO CHANGE EACH YEAR AND ADDITIONAL HOLIDAYS MAY BE ADDED UPON APPROVAL BY THE CITY COMMISSION.

Holidays Falling on Weekends

If a recognized holiday falls on a Saturday, the designated holiday shall be on the previous Friday. If a recognized holiday falls on a Sunday, the designated holiday shall be on the Monday following the holiday.

Holiday Pay

Some employees may be scheduled to work on a holiday. In those cases, the employee shall be given credit for the holiday. Employees who are on leave of absence without pay or disability leave shall not be entitled to holiday compensation or an additional day off with pay.

City Manager Discretion

The City Manager will determine additional discretionary days for any department or operation [sic] will be closed in observance of a holiday.
[Emphasis added]

The 2013 Manual differed slightly from the City's Ordinance in the following ways:

1. The City's Ordinance specifically addressed the closure of City Hall and provided that all city employees, except those necessary for the protection of life and property and the public services department, would be awarded paid holidays for those days. The 2013 Manual notes twelve paid holidays for full-time employees;
2. The City's Ordinance referenced "Washington's Birthday" as a closure date in February, but the 2013 Manual referred to "President's Day", and

3. The City's Ordinance designated the day after Thanksgiving as a holiday; however, the 2013 Manual noted that the "day after or day before Thanksgiving" would be one of the twelve paid holidays.
4. The 2013 Manual gives the City Manager the discretion to determine additional days for any department or operation.

City's 2016 Personnel Manual

City Manager Williamson made changes to the Personnel Manual after he joined the City as City Manager in April 2015. The City of Pahokee Personnel Rules & Regulations, dated January 1, 2016, details the following:

HOLIDAYS

Defined

The number of paid holidays is subject to change each year based calendar. The following eleven (11) Holidays are paid holidays recognized each year for all full - time City employees. Holidays that fall on weekends can be recognized the Friday before or following Monday.

1. New Year's Day (**New Years Eve at Discretion of City Manager**)
2. Martin Luther King, Jr. Day
3. President's Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. **Columbus Day**
8. Veteran's Day
9. **Thanksgiving Day Before (Wednesday Half Day, Discretion of City Manager)**
10. Thanksgiving Day & Day After
11. **Christmas Eve & Christmas Day (Day after Christmas is considered a holiday)**

Personal Day

An employee who has completed ten (10) years of service shall be given their anniversary date off work with pay.

THE COMPLETE HOLIDAY SCHEDULE IS SUBJECT TO CHANGE EACH YEAR AND ADDITIONAL HOLIDAYS MAY BE ADDED UPON APPROVAL BY THE CITY COMMISSION.

Holidays Falling on Weekends

If a recognized holiday falls on a Saturday, the designated holiday shall be on the previous Friday. If a recognized holiday falls on a Sunday, the designated holiday shall be on the Monday following the holiday.

Holiday Pay

Some employees may be scheduled to work on a holiday. In those cases, the employee shall be given credit for the holiday. Employees who are on leave of absence without pay or disability leave shall not be entitled to holiday compensation or an additional day off with pay.

City Manager Discretion

The City Manager will determine additional discretionary days for any department or operation [sic] will be closed in observance of a holiday...
[Emphasis added]

The 2016 Manual did not add any provisions discussing the closure of City Hall; however, the City Manager updated the Manual to revise the paid holiday schedule as follows:

1. Included Columbus Day as a paid holiday;
2. Indicated that the City Manager had the discretion to designate New Year's Eve as a paid holiday;
3. Indicated the City Manager had the discretion to designate a half day paid holiday for the Wednesday before Thanksgiving;
4. Included Christmas Eve and the Day after Christmas as paid holidays; and
5. Did not include the requirement that the City Commission approve two additional holidays as part of the budget process.
6. The 2016 Manual gives the City Manager the discretion to determine additional days for any department or operation.

Our office asked the City through a request to the City Clerk's office and the City Attorney if the January 1, 2016 version of Holiday section of the City's Personnel Rules & Regulations was presented to the City Commission for review and approval. City Attorney Gary Brandenburg's January 22, 2019 response to the OIG stated that, "[t]here are no records of this being presented to the City Commission for approval."

The OIG chart below illustrates designated holidays outlined by City Ordinance, the 2013 Personnel Manual, and the 2016 Personnel Manual:

Holiday	City Ordinance - Updated 2009 City Hall Closure/ Paid Holiday for All Employees	2013 Personnel Manual – Paid Holidays for Full Time Employees	2016 Personnel Manual- Paid Holidays for Full Time Employees
New Year's Eve	X	X	City Manager Discretionary
New Year's Day	✓	✓	✓
Martin Luther King Day	✓	✓	✓
President's Day/Washington B-Day	✓	✓	✓
Memorial Day	✓	✓	✓
Independence Day	✓	✓	✓
Labor Day	✓	✓	✓
Columbus Day	X	X	✓
Veteran's Day	✓	✓	✓
Day Before Thanksgiving	X	✓ (May be replaced by day after Thanksgiving)	½ Day- City Manager Discretionary
Thanksgiving	✓	✓	✓
Day After Thanksgiving	✓	✓ (May be replaced by day before Thanksgiving)	✓
Christmas Eve	X	X	✓
Christmas Day	✓	✓	✓
Day After Christmas	X	X	✓
Floating Holiday #1 to be approved by City Commission	✓	✓	X

Floating Holiday #2 to be approved by City Commission	✓	✓	X
Total Holidays	12	12	14.5
✓ = Designated Paid Holiday X = Days Not Designated as Paid Holiday			

Based upon our review of public notices announcing the closure of City Hall, calendars posted on the City's website, and interviews with staff, it appears that City Hall was closed for full or partial days on dates not approved by the City Commission as outlined below:

Fiscal Year	Date	Hours City Hall Closed Without Commission Approval
FY 2016		
	Wednesday, November 25, 2015 (Day before Thanksgiving)	2.5
	Wednesday, December 23, 2015	4.0
	Friday, March 25, 2016 (Good Friday)	4.0
	Friday, May 27, 2016	3.0
	Friday, July 1, 2016	3.0
	Friday, September 2, 2016	1.0
For FY 2016, the City Commission voted to select two additional days to close City Hall:		
1. December 24, 2015		
2. December 31, 2015		
FY 2017		
	Thursday, December 22, 2016	4.0
	Thursday, December 29, 2016	4.0
	Friday, December 30, 2016	8.0
	Friday, April 14, 2017	4.0
For FY 2017, the City Commission voted to select two additional days to close City Hall:		
1. November 23, 2016		
2. December 23, 2016		
FY 2018		
	Monday, October 9, 2017	8.0 (Permitted by 2016 Manual)
	Friday, November 3, 2017	1.0
	Wednesday, November 22, 2017	8.0 (Half Day Permitted by 2016 Manual)
	Thursday, December 21, 2017	8.0
	Friday, December 22, 2017	8.0
	Tuesday, December 26, 2017	8.0 (Permitted by 2016 Manual)
	Friday, December 29, 2017	8.0
For 2018, the Clerk found no records of a vote by the City Commission to close City Hall.		
Total		86.5

Although City Manager Williamson contends that the 2016 Manual gives him the authority to close City Hall and to award paid vacation for the partial or full days that City Hall was closed, the City's Ordinance specifically states the days when City Hall may be closed and reserves to the City Commission the authority to select two additional closure days for City Hall. City Manager Williamson did not provide our office with any records to show that the City Commission amended its ordinance or took any vote whatsoever to delegate that authority to the City Manager in contradiction to the City Ordinance.

Interview of City Manager Williamson

City Manager Williamson became Pahokee City Manager in April 2015. City Manager Williamson told the OIG that most City employees are full-time employees; about four or five are part-time employees. Full-time employees document their work hours in a timesheet and are paid for holidays. Part-time employees work on an hourly basis; the City does not pay them for holidays. The City adds part-time employees in the summer.

City Manager Williamson stated that the City work schedule is Monday through Friday from 8:00 a.m. to 5:00 p.m. The City does not utilize flex time. However, if employees work during the weekend on a City event, the City gives back the time to those employees either before or after the weekend event. City Manager Williamson allows department directors to handle the schedules.

City Manager Williamson stated when he started working for the City there was low morale and no standard practices or operating procedures for daily operations. The City of Pahokee Personnel Rules and Regulations Manual was decades old. The City was operating on antiquated policies or modern policies that were not documented. There was no electronic copy of the manual available and every City department had multiple versions.

For years, the City followed its Ordinances but the City never sent these Ordinances to Municode. During the last two years, the City paid Municode thousands of dollars for these Ordinances to be publicly posted.

City Manager Williamson told the OIG that City Code Section 2-1 reflects that when any legal holiday shall fall upon a Sunday, the Monday next following shall be deemed a public holiday and whenever any legal holiday shall fall upon a Saturday, the Friday preceding shall be deemed a public holiday. City Manager Williamson believes the differences between this code and the City of Pahokee Personnel Rules & Regulations is that the Personnel Rules & Regulations gives the City Manager discretionary days and that Columbus Day is missing from the City Code holiday list. City Manager Williamson stated he was almost certain that there was not an update to Code Section 2-1 to include Columbus Day as a holiday.

The City Commission typically approves two floating holidays yearly; Christmas Eve and New Year's Eve. The agenda for the City's Commission meeting that occurred on October

13, 2015, shows that the City Commissioners approved Christmas Eve and New Year's Eve as that year's two floating days. For years 2016 and 2017 the City Commissioners approved the floating days during budget conferences that usually take place in July. City Manager Williamson had not made a discretionary decision about giving City employees additional days at the time of those budget discussions. City Manager Williamson stated that he does not utilize discretionary days until the end of the year.

City Manager Williamson told the OIG that any other days that City employees received off were per his discretion. City Manager Williamson stated that he does not abuse his discretion. City Manager Williamson told the OIG that:

"I could walk in that office right now at 4:00 o'clock and say go home everybody. You want to know why? Cause it is a Council-Manager form of government. I'm the guy who makes all the decisions in this City."

He added: "I could walk in on a Friday and say go home at 1 o'clock and there is nothing anyone can say about it."

City Manager Williamson stated that he typically informs the Mayor and City Commissioners via e-mail about added holidays. He added that the City Commissioners have not voiced their disagreement or concerns about closing the City. During the 2017 holiday season, City Mayor Babb asked City Manager Williamson about the City closing an extra day. City Manager Williamson explained to the Mayor that the City gives that extra day off to City employees every year. City employees got an extra day and a half off at the end of last year per City Manager Williamson's discretion. City Manager Williamson stated that the City notifies the public seven days in advance of when the City will be closing.

City Manager Williamson told the OIG that he gives City employees a day off to recruit new employees, to create an environment employees want to stay at, and to build and sustain morale. He added that to City employees the discretionary days "equal money." City Manager Williamson told the OIG:

"That discretionary day for me is more of a morale thing. Not a flex time thing that hey, we are doing all these extra events over the year on the weekend and I'm giving you a day back. That's more of I'm going to use that discretionary day because I know somewhere deep down that that's a morale builder for me. So it's more; it's not really about a flex time activity on the weekend whatsoever."

Interview of Mayor Keith W. Babb Jr.

Mayor Babb has been a City of Pahokee Commissioner for 24 of the last 25 years and is the current Mayor.

Mayor Babb told the OIG that every year the City Commission selects two floating holidays, as per the City of Pahokee Code of Ordinance “2-1 Legal holidays; closing of city hall.” The two floating holidays selected are not the same every year.

An option to award additional days off to City employees by the City Manager would be contingent on City Commission approval. Mayor Babb believes the current City Manager Williamson has been giving City employees more than the prescribed days off. Additional days off should be presented to Commission. These days should be known well in advance before the start of the fiscal year.

Mayor Babb stated that if a day is not selected by the Commission as a floating holiday nor listed in the City of Pahokee Code of Ordinance “2-1 Legal holidays; closing of city hall”, employees should not be off on that day.

At the end of 2017 candidates running for the City Commission had five days to submit the required paper work to the City. Mayor Babb noted that due to unauthorized time off given by the City Manager, candidates had less than the required time to submit the paperwork.

Mayor Babb believes that the City Commission previously considered and approved former City Manager Derrek Moore’s requests to give extra time off to City employees.

City Commissioners may have been informed in advance about specific days when City Hall has been closed. However, the Mayor said that being informed of City Hall closure does not mean that he was approving City Hall closures.

Interview of former⁵ City Commissioner Diane Walker

Diane Walker had been a City of Pahokee Commissioner for about ten and a half years at the time of OIG interview. Ms. Walker told the OIG that she does not have detailed knowledge of the City’s daily administrative matters, but she believes that current City Manager Williamson has been allowing City employees to take too many days off. Ms. Walker’s opinion is that the City Manager should inform Commissioners of any changes made to the City of Pahokee Personnel Rules & Regulations. However, she does not know if there is a City Ordinance that requires the City Manager to do so. Ms. Walker stated that the City Ordinance should supersede any City rule or regulation.

Ms. Walker’s opinion is that the option to award additional days off to City employees by the City Manager as mentioned in page 22 of the 2016 City of Pahokee Personnel Rules & Regulations Manual is contingent upon the City Commission’s approval. Ms. Walker does not believe that former City Manager Derrek Moore gave City employees time off based solely on his discretion.

⁵ Ms. Walker was a City Commissioner when she was interviewed by the OIG. She did not seek re-election in March of 2019.

Ms. Walker stated that the City Commission has selected two floating holidays in the past per City of Pahokee Code of Ordinance "2-1 Legal holidays; closing of city hall". The two floating holidays picked may have been different from year to year. Ms. Walker stated that the Commission did not pick Columbus Day 2017 as one of that year's floating holidays.

Ms. Walker added that City residents have complained to her of a lack of notice to residents of City Hall closure. Residents have told her that they have arrived at the City Hall only to find out that there is no one there.

Interview of former City Commissioner Nathaniel Holmes

Nathaniel Holmes was a City Commissioner for three years until March of 2018.

Mr. Holmes was presented with the City of Pahokee calendar for October 2017, which reflected City government closure on October 9, 2017 in observance of Columbus Day. Mr. Holmes told the OIG that the City Commission did not authorize or vote to approve City employees taking Columbus Day off and did not vote to make Columbus Day one of the selected floating days. Even if Columbus Day was listed as a holiday in the 2016 City of Pahokee Personnel Rules and Regulations it is not listed in the City of Pahokee Ordinance and the ordinance supersedes the Personnel Rules and Regulations.

Mr. Holmes stated the City Commission would have to approve any change(s) to the City of Pahokee Personnel Rules and Regulations Manual per the by-laws.

Mr. Holmes does not recall the Commission approving the City Manager Discretion section on page 24 of any version of the City of Pahokee Personnel Rules and Regulations Manual.

Mr. Holmes stated that the proper way for City Manager Williamson to notify the Commissioners about his recommendation to close the City should have been in a Commission meeting, to allow City Commissioners to vote and to approve or reject his recommendation. An e-mail notification would not suffice. The City Manager would have to tell the City Commission about any city closure a week or two prior to the closure date. Mr. Holmes does not remember the City Manager notifying the City Commission about half-day closures.

Mr. Holmes does not know if City residents were notified about City closures.

Interview of former City Clerk Tijauna Warner

Former City Clerk Tijauna Warner told the OIG that the last version of the City of Pahokee Personnel Rules & Regulations that was approved by the City Commission was from 2009. She said any subsequent changes made to it by City Manager Williamson relating to holidays or time off were not authorized by the City Commission, including the January

1, 2016 version that the OIG was provided. The only change to the handbook subsequent to 2009 that she said the City Commission approved was related to the City's sexual harassment policy.

Ms. Warner stated that holidays and floating days approved by the City Commission were placed on the City's website calendar in advance. Any additional time off authorized by City Manager Williamson was put on the City's website calendar when he announced to City staff a decision to give time off, which sometimes occurred on the same day as the additional time off.

Conclusion

Pahokee City Manager Chandler Williamson improperly closed City Hall for full or partial days not specifically authorized by City Ordinance Sec. 2-1 - "Legal holidays; closing of city hall". The City Ordinance enumerates dates when City Hall will be closed and reserves to the City Commission the authority to select two additional days at budget approval each year. From November 2015 through December 2017, City Manager Williamson's unauthorized closures of City Hall resulted in the City potentially paying thousands of dollars to employees out of its budget for employment services that were not rendered and potentially prevented City residents from accessing some City services on dates and times when City Hall should have been open for business.

As such, we find that allegation 1 **is supported**.

Allegation (2):

Pahokee City Manager Williamson inappropriately provided bonuses of approximately \$100 to each City employee during December 2016 and December 2017.

Finding:

The allegation is **supported**.

Section 215.425(1), Florida Statutes, provides that extra compensation to existing employees after services have been rendered are not allowed unless the City has adopted a bonus program. Specifically, section 215.425(3), Florida Statutes, provides,

- (3) Any policy, ordinance, rule, or resolution designed to implement a bonus scheme must:
 - (a) Base the award of a bonus on work performance;
 - (b) Describe the performance standards and evaluation process by which a bonus will be awarded;
 - (c) Notify all employees of the policy, ordinance, rule, or resolution before the beginning of the evaluation period on which a bonus will be based; and
 - (d) Consider all employees for the bonus.

City Personnel Rules & Regulations

The 2013 City of Pahokee Personnel Rules & Regulations that was revised by the City Attorney on May 8, 2013 is silent on bonuses to employees.

The January 1, 2016 Personnel Manual details the following:

OVERTIME PAY/BONUS

Bonuses

The City Manager as prescribed in the purchasing and spending policy may allocate at his discretion a bonus structure for performance.



The City does not have a policy, ordinance, rule, or resolution designed to implement a bonus scheme that complies with the requirements set forth in section 215.425.

Holiday Bonuses Awarded:

During interviews with Mayor Babb and City Manager Williamson, they both stated that City employees were given bonuses in calendar years 2016 and 2017.

We were unable to obtain from the City sufficient documentation to confirm, review or verify the amount of bonuses given in either year. Former City Clerk Warner provided the OIG two spreadsheets that indicated the City Manager gave \$3,375.00 in bonuses to City employees in FY 2016-2017 and \$3,450.00 in bonuses in FY 2017-2018; ranging from \$25.00 for interns, \$50.00 for part-time employees, and \$100.00 to \$150.00 for full-time employees. The OIG cannot attest or make any assurance that these amounts are accurate or that every City employee received a bonus.

Interview of City Manager Williamson

City Manager Williamson told the OIG that the City awards each City employee a \$100 bonus at the end of each year per City Manager Williamson's discretion. City Manager Williamson stated that he does not go to the City Commission to get these bonuses approved. Per City Ordinance, he said the City Manager can spend up to \$10,000 without City Commission approval. The total bonus amount given to City employees is not included as a line item in the City budget.⁶ Instead, these bonuses come from another budget account, such as the City Manager's expense account.

⁶ An OIG review of the City's budget for the time period in question confirmed that these bonuses were not included as a line item.

Interview of City Mayor Keith W. Babb Jr.

Mayor Babb told the OIG that there is a City Ordinance that gives the City Manager permission to make purchases below \$10,000 without the approval of the City Commission. However, Mayor Babb does not believe the ordinance applies to the bonuses the City Manager has been giving out to employees. City Manager Babb confirmed that bonuses of approximately \$100 per employee were awarded by the City Manager at the end of 2016 and 2017.

Interview of former City Commissioner Diane Walker

Ms. Walker stated that the Commission might have approved the \$100 bonus per employee that the City Manager gave out to City employees. If it was approved, it was because the budget allowed for bonuses. If there had been no money available within the budget, then the Commission would not have approved the bonuses.

Interview of former City Commissioner Nathaniel Holmes

Mr. Holmes did not know about the \$100 bonuses that City Manager Williamson gave in calendar years 2016 and 2017. Mr. Holmes believes that City Manager Williamson should not give bonuses without Commission approval because it is coming from the City's budget.

Additional Information Reviewed

The OIG reviewed the minutes for the December 9, 2014 City of Pahokee Regular Commission Meeting (prior to City Manager Williamson's employment with the City) that showed that City Attorney Gary Brandenburg advised the City Commission and former Interim City Manager Arthur Ivester that a Florida statute controls the awarding of incentives or bonuses to employees, and that such a decision has to be made based on a review by the City Manager.

Commissioner Babb then made a motion to approve incentives based on performance. The motion carried with four 'aye' votes and one Commissioner absent.

Conclusion

The City advised our office that City Manager Chandler Williamson awarded approximately \$3,375.00 in bonuses in December 2016 and approximately \$3,450.00 in December 2017.

The City did not have a policy, ordinance, rule, or resolution providing that bonuses could be awarded based on work performance measured by performance standards and an evaluation process that were communicated to employees before the evaluation period.

As such, we find that Allegation 2 **is supported**.

IDENTIFIED, QUESTIONED, AND AVOIDABLE COSTS

Identified Costs: \$0

Questioned Costs: \$0

Avoidable Costs: \$0

ACKNOWLEDGEMENT

The Inspector General's Investigations Division would like to thank City of Pahokee staff and City Commission for their assistance during this investigation.

RECOMMENDED CORRECTIVE ACTIONS

We make several recommendations that can assist the City in complying with City ordinance provisions and State law. The OIG recommends that:

1. The City closes City Hall only on those dates permitted by its City Ordinance.
2. That the City Commission approves at its budget meeting the two additional City Hall closure days as permitted under its City Ordinance.
3. If the City wishes to develop an employee bonus program, that the City Commission should approve a policy, rule, or resolution that complies with the requirements of section 215.425, Florida Statutes.

RESPONSE FROM MANAGEMENT

Pursuant to Article XII, Section 2-427 of the Palm Beach County Code, on April 22, 2019, the City of Pahokee was provided the opportunity to submit a written explanation or rebuttal to the findings as stated in this Investigative Report within ten (10) calendar days. On May 3, 2019, the OIG received the following written response from the City of Pahokee (see attachment 1):

The City of Pahokee is in receipt of your report. We are in full agreement with the outlined recommendations and will take future actions to ensure compliance with recommendations is adhered.

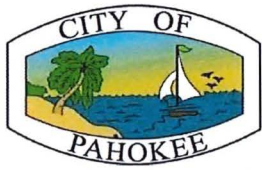
The City of Pahokee and Commission appreciates the diligence invested by the Palm Beach County Office of Inspector General on this matter. Thank you

RESPONSE FROM CITY MANAGER CHANDLER WILLIAMSON

Pursuant to Article XII, Section 2-427 of the Palm Beach County Code, on April 22, 2019, City Manager Chandler Williamson was provided the opportunity to submit a written explanation or rebuttal to the findings as stated in this Investigative Report within ten (10) calendar days. Mr. Williamson did not provide a response on his own behalf.

ATTACHMENT

Attachment 1 - City of Pahokee's Response



Attachment 1

City of Pahokee

207 Begonia Dr.
Pahokee, FL 33476
Phone: (561) 924-5534
Fax: (561) 924-8140

www.cityofpahokee.com

COMMISSIONERS

Keith W. Babb Jr.
MAYOR

Clara "Tasha" Murvin
VICE MAYOR

Regina Bohlen
COMMISSIONER

Benny L. Everett, III
COMMISSIONER

Felisia Hill
COMMISSIONER

ADMINISTRATION

Chandler F. Williamson
CITY MANAGER

Nylene Clarke
CITY CLERK

Burnadette Norris-Weeks
CITY ATTORNEY

May 3rd, 2019

Stuart A. Robinson
Director of Investigations
Palm Beach County Office of Inspector General
100 Australian Avenue.
West Palm Beach, Fl, 33406

RE: Holidays/Bonus Structure

Mr. Robinson,

The City of Pahokee is in receipt of your report. We are in full agreement with the outlined recommendations and will take future actions to ensure compliance with recommendations is adhered.

The City of Pahokee and Commission appreciates the diligence invested by the Palm Beach County Office of Inspector General on this matter. Thank you

Sincerely,

Chandler F. Williamson, MPA
City Manager