



Memorandum

Memo No: 20/21-11

Date: September 21, 2021

To: Honorable Mayor and Commissioners

From: John Herbst, CPA, CGFO, CGMA
City Auditor

Re: City Auditor Annual Performance Review and Merit Adjustment

Recommendation

It is recommended that the City Commission approve a resolution providing for a merit salary increase for John Herbst, City Auditor, effective August 1, 2021.

Background

The City has employed John Herbst as City Auditor since August 1, 2006. The Employment Agreement between the City of Fort Lauderdale and the City Auditor allows for the City Commission to grant merit increases to the City Auditor to the extent that the City may determine that it is desirable to do so, on the basis of an annual performance review.

The unique challenges resulting from COVID 19 continued to affect our office earlier in the fiscal year, as it has all of the departments throughout the City. We continued our monitoring of P-card purchases and overtime to minimize the likelihood of fraudulent activity finance staff were working remotely.

The City Auditor's Office continues its mission of providing independent and objective assurance and consulting activities that are guided by a philosophy of adding value to improve the operations of the City of Fort Lauderdale. We have completed a number of reviews and other projects on behalf of the City Commission and the City Manager. In addition, we reviewed all of the major financial reports prepared by City staff for accuracy and completeness prior to their distribution to regulatory bodies, bondholders and the general public. And finally, many hours were spent serving as a consultant to management by attending meetings and participating in workgroups on a variety of topics. I believe those activities add significant value by allowing us to assist management in addressing its risk assessment and internal control responsibilities in a prospective, rather than reactive manner.

I am pleased to report that the City Auditor's Office is a peer-reviewed organization and thanks to the hard work and professionalism of my staff, we maintain an internal quality control system over the City Auditor's Office that is suitably designed and operating effectively to provide reasonable

assurance of compliance with Government Auditing Standards for audits and attestation engagements.

In addition, the City Auditor's Office staff continues to promote individual professional development. Our Office has three Certified Public Accountants, two Certified Internal Auditors, and all audit staff works toward meeting or exceeded their mandatory continuing professional education (CPE) requirements of 40 hours per year.

Outlined below is a list of audits, reviews and analyses, internal reviews, internal consulting and other activities completed or undertaken by my office during the past year.

A. Audits, Reviews and Analyses:

- Proposed FY 2022 Budget Review
- Ongoing monitoring of P-card purchases during COVID 19 remote work status
- Interim Chief of Police eligibility
- Continuous monitoring of overtime – Police Department
- Continuous monitoring of overtime – Public Works Department
- Carr, Riggs & Ingram Final Report - Las Olas Boulevard Corridor Improvements Project audit
- Annual Report to Bondholders for the Fiscal Year Ended September 30, 2020
- Community Redevelopment Agency Annual Report for the Fiscal Year Ended September 30, 2020
- Semi-annual monitoring of open audit findings from previous audits
- Ongoing audit of construction at the Fort Lauderdale Aquatic Center project
- Computer system and program inventory – draft audit report/wrap-up
- Fire Station #46, #54 and #8 construction audits – draft audit report/wrap-up
- Police evidence room operation audit – draft audit report/wrap-up
- Executive Airport lease compliance – fieldwork
- Carr, Riggs & Ingram Forensic Audit of Rio Vista park improvements - fieldwork
- RFP issued for construction audit for the new Police Headquarters

B. Internal Reviews:

- Review all City business/financial CAMs before Commission meetings
- Review of CRA Annual Audited Financial Report
- Review of Comprehensive Annual Financial Report “CAFR”
- Review of Popular Annual Financial Report “PAFR”

Internal Consulting:

- Evaluation of Bahia Mar proposed lease amendment financial impact - ongoing
- Evaluation of One Stop P3 financial impact – ongoing
- Evaluation of Five Ash P3 financial impact - ongoing
- Observation of collective bargaining sessions with the fire unions
- ERP (Infor-Lawson) Implementation and Steering Committee Monitoring
- Newsletter – Data Integrity Issues

C. Attendance at Meetings:

- Attended Budget Advisory Board meetings
- Attended Audit Advisory Board meetings
- Attended Investment Committee meetings
- Attended General Employees Retirement System Board meetings
- Attended Police & Fire Pension Board meetings
- Attended Revenue Estimating Committee meetings
- Attended City Manager’s FL2 Status Update meetings

Community Involvement:

- Broward County School Board Bond Oversight Committee
- Performing Arts Center Authority-Finance Committee Member
- Community Foundation of Broward County-Investment and Audit Committee Member

Prepared by: John Herbst

Charter Officer: John Herbst