



**CITY OF FORT LAUDERDALE**  
**City Commission Agenda Memo**  
**REGULAR MEETING**

**#17-0813**

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**TO:** Honorable Mayor & Members of the Fort Lauderdale City Commission

**FROM:** John Herbst, CPA, CGMA, CGFO  
City Auditor

**DATE:** July 11, 2017

**TITLE:** City Auditor Annual Performance Review and Merit Adjustment

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**Recommendation**

It is recommended that the City Commission approve a resolution providing for a three percent (3%) merit salary increase for John Herbst, City Auditor, effective August 1, 2017.

**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 provides for an annual performance review and 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 City Auditor's Office has had another fruitful year, completing a number of audits and other projects on behalf of the City Commission. 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.

The City Auditor's Office staff continues to excel in the area of professional development. Our Office has three Certified Public Accountants, one Certified Internal Auditor, and all audit staff has met or exceeded their mandatory continuing professional education (CPE) requirements of 40 hours per year. We were also pleased to fill a vacant Assistant City Auditor II early this 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:**

- Analysis of Las Olas Marina RFP, Responses and CBRE Fee Calculation
- Review of Fire Station Bond Expenditures and Engineering Fee Charges
- Summary of Follow-Up Audits/Review of Open Findings and Observations
- Reviewed the Community Redevelopment Agency (CRA) Annual Report
- Evaluation of Sunrise Key Neighborhood Improvement District Expenditures
- Operational Audit of the Radio Shop (closed)
- Reviewed the City of Fort Lauderdale's Annual Report to Bondholders
- Review of the Proposed Fiscal Year 2017/2018 Budget (in process)
- Construction Audit of Fire Station 46 (in process)
- Audit of P-Card Program (in process)
- Audits of Franchise Hauler Fee Compliance (by Morgenstern, Phifer and Messina)
- Completed RFP for Construction Auditing Services for the Beach CRA Projects

## **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" (audit)
- Review of Popular Annual Financial Report "PAFR"

## **C. Internal Consulting:**

- Ongoing monitoring of PCI vulnerability assessment
- Reviewed the CRA Service Agreement with the City
- Reviewed OPEB investment policy and recommendations
- Review of Vacation Rental Fee Study
- Review of Skanska/Las Olas Corridor Project Contract
- Monitored Six13 Project discussions
- Monitored YMCA/Mizell Center lease discussions

## **D. Attendance at Meetings:**

- Attended Budget Advisory Board meetings
- Attended Audit Advisory Board meetings
- Attended Charter Review Board meetings
- Attended Infrastructure Task Force meeting
- 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
- Attended City Manager's ISO 9001 Status Update meetings
- Attended Federal Court Facilities Task Force meetings

## **Professional Development/Community Involvement:**

- Performing Arts Center Authority-Finance Committee Member
- Broward County School Board-Audit Committee Member
- Broward County Housing Authority-Audit Committee Chair
- Community Foundation of Broward County-Investment and Audit Committee Member
- Regularly participate in Chamber of Commerce Trustee functions to build relationships with local business leaders
- All audit staff have completed their required courses for CPE (40 hours annually)

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Prepared by: John Herbst

Charter Officer: John Herbst