



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

#16-1008

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

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

DATE: August 16, 2016

TITLE: City Auditor Annual Performance Review and Merit Adjustment

The City has employed John Herbst as City Auditor since August 1, 2006. The contract provides for an annual performance review.

The City Auditor's Office has had a busy 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.

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

A. Audits, Reviews and Analyses:

- Review of Temporary Staffing within the Department of Sustainable Development
- Review of the Sustainable Development – Updated Salary Allocations FY 2016 report
- Follow-up Review of Open Findings and Observations
- Review of the services performed by the Mosaic Group
- Fiscal Analysis of Proposed Award for Marina Management and Construction Services for the Las Olas Marina
- Fiscal Analysis of Proposed Lease Terms for Ground Lease at Fort Lauderdale Executive Airport
- Audit of RFP Review Process
- Operational Audit of the City of Fort Lauderdale Cemetery System and related Cemetery Perpetual Care Trust Fund (scheduled for the August Commission meeting)

- Audit of progress billings for Engineering and Design work for the Aquatic Center by RDC (in draft)
- Operational Audit of the Radio Shop (in draft)
- Audit of CRA Operations (in process)
- Review of the Proposed Fiscal Year 2016/2017 Budget (in process)
- Review of Fire Station Bond and Construction of Stations (in process)

B. Internal Reviews:

- Review all City business/financial CAMs before Commission meetings
- Review of CRA Annual Report
- Review of CRA Financial Report (audit)
- Review of Comprehensive Annual Financial Report “CAFR” (audit)
- Review of Popular Annual Financial Report “PAFR”
- Review of Annual Report to Bondholders
- Review of FP&L Franchise Fee Audit

C. Internal Consulting:

- Review of new Internal Controls for CRA/DSD – Given to Johnathan Brown
- Review of new Policy and Procedures for Procurement – Given to Jennifer Alvarez
- Review of new Internal Controls for IT – Given to Mike Meier
- Review of PCI Vulnerability Assessment Report
- Researched Passive and Active Investment Strategies for Pensions and OPEB
- Review of Bahia Mar Compliance with the Lease

D. Attendance at Meetings:

- Attended Budget Advisory Board meetings
- Attended Audit Advisory Board 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
- Attended City Manager’s ISO 9001 Status Update meetings
- Attended In-service Pension Distribution workgroup meetings
- Attended Federal Court Facilities Task Force meetings and participated in trips to Washington and Atlanta to meet with GSA and Congressional staff
- Attended E911 Relocation workgroup meetings
- Attended Resource Recovery Board/Alpha 250 site sale discussions
- Attended depositions in the Sixth Street Plaza foreclosure lawsuit

E. Other Projects

- Upgraded Teammate audit software to cloud environment
- Relocated offices to the 101 Tower

F. Professional Development/Community Involvement:

- All audit staff have completed required courses for CPE (40 hours annually)
- Accepted to the Harvard Kennedy School of Government-Executive Program for State and Local Government Leaders
- Broward County School Board-Audit Committee Member
- Broward County Housing Authority-Audit Committee Chair
- Community Foundation of Broward County-Audit Committee Member
- Regularly attend Chamber of Commerce Trustee functions to build relationships with local business leaders

Prepared by: John Herbst
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