



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CONFERENCE MEETING

#18-0099

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

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: January 23, 2018

TITLE: Cemetery System Update

At the November 21, 2017 City Commission Conference Meeting, Commission Agenda Memo #17-1421 (Exhibit 1) was discussed. Subsequently, the Commission requested that a joint recommendation from the City Attorney, the City Auditor and the City Manager provide the Commission with a plan for the best course of action to address the financial discrepancies as indicated in the Agreed-Upon Procedures Report (AUP) (Exhibit 2). The AUP examined a two-year period beginning October 1, 2014 through September 30, 2016.

In an audit conducted under agreed-upon procedures, the auditor provides only factual findings and does not offer opinions, conclusions or assurances in the final report. Instead, the auditor's report simply presents the facts, with the audit facilitators drawing their own conclusions from the findings.

Based on the discussion by the three Charter Offices and City staff, the joint recommendation is to conduct a five-year audit with a forensic approach of the cemetery contract. The objective of the audit is to conduct a review of cemetery revenue collection accounting practices and vendor payments as compared to applicable laws, City Code of Ordinances, and Cemetery Rules and Regulations.

Staff is recommending an expansion of services with the existing vendor, Anthony Brunson, P.A. to perform the continuation of audit examination services. The audit will cover Fiscal Years October 1, 2012 through October 1, 2017, in accordance with Generally Accepted Accounting Principles (GAAP) and Generally Accepted Government Auditing Standards (GAGAS). The audit will take approximately 120 days for completion.

Pursuant to Section 2-173, Code of Ordinances of the City of Fort Lauderdale, Florida, defines a proprietary item or service as any item or service essential to the day-to-day operation of the city government and when time is of the essence. Proprietary may, when so determined by the City Manager, be applied to any other material and services that are in their nature unique and/or not readily subject to competition or whereby specifications cannot clearly be drawn or when time is of the essence.

To this effect, and to ensure participation by Carriage Services (cemetery contractor), the forensic audit will determine additional income owed to the City by Carriage Services before the expiration of the cemetery management contract on September 30, 2018. Otherwise, the City may lose cooperation from the contractor to recoup additional income in a timely manner in lieu of litigation.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Public Places Cylinder of Excellence, specifically advancing:

- Goal 3: Be a community that finds opportunities and leverages partnerships to create unique, inviting and connected gathering places that highlight our beaches, waterways, urban areas and parks.
- Objective 1: Improve access to and enjoyment of our beach, Riverwalk, waterways, parks, and open spaces for everyone.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Here*.

Attachments

Exhibit 1 – Commission Agenda Memo #17-1421

Exhibit 2 – Cemetery System Agreed-Upon Procedures Report

Exhibit 3 – Anthony Brunson, P.A. Cemetery Audit Engagement Letter 2017

Exhibit 4 – Anthony Brunson, P.A. Cemetery Audit Engagement Letter 2018

Prepared by: Stacy Spates, Parks and Recreation

Department Director: Phil Thornburg, Parks and Recreation