



**Hallandale Beach**  
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400 South Federal Hwy  
Hallandale Beach, FL 33009

## City of Hallandale Beach City Commission Agenda Cover Memo

<b>Meeting Date:</b>	November 15, 2017		<b>Item Type:</b> (Enter X in box)	<b>Resolution</b>  X	<b>Ordinance</b>	<b>Other</b>		
<b>Fiscal Impact:</b> (Enter X in box)	<b>Yes</b>	<b>No</b>	<b>Ordinance Reading:</b> (Enter X in box)	<b>1st Reading</b>		<b>2nd Reading</b>		
	X			<b>Public Hearing:</b> (Enter X in box)	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
						X		X
<b>Funding Source:</b>	Salary Savings		<b>Advertising Requirement:</b> (Enter X in box)	<b>Yes</b>		<b>No</b>		
<b>Account Balance:</b>	Estimated Costs not to Exceed \$400,000		<b>Quasi-Judicial:</b> (Enter X in box)	<b>Yes</b>		<b>No</b>		
						X		
<b>Project Number :</b>	N/A		<b>RFP/RFQ/Bid Number:</b>	N/A				
<b>Contract/P.O. Required:</b> (Enter X in box)	<b>Yes</b>	<b>No</b>	<b>Strategic Plan Priority Area:</b> (Enter X in box)  Safety <input type="checkbox"/> Quality <input checked="" type="checkbox"/> Vibrant Appeal <input type="checkbox"/>					
	X							
<b>Sponsor Name:</b>	Roger M. Carlton, City Manager		<b>Department:</b> <b>Finance Department</b>	<b>Celeste D. Lucia,</b> <b>Finance Director</b>				

### Short Title:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, DECLARING UNIQUE CIRCUMSTANCES PURSUANT TO SECTION 23-8(5) OF THE HALLANDALE BEACH CODE OF ORDINANCES, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND OBTAIN ACCOUNTING AND FINANCE SERVICES; AND PROVIDING AN EFFECTIVE DATE.

## Staff Summary:

### **Background:**

The functions of the City's Finance Department include, but are not limited to the following:

### **CORE ACCOUNTING:**

- + Payroll Processing
- + Accounts Payable
- + Accounts Receivable/General Billing
- + Investments and Cash Management
- + Debt Management and Compliance
- + Fixed Asset Management
- + Internal Controls
- + Annual External Audit
- + Comprehensive Annual Financial Report (CAFR)
- + Provide financial oversight for HBCRA and the Safe Neighborhood Districts
- + Financial regulatory compliance

### **UTILITY BILLING:**

- + Cashiering
- + Central Depository for City-wide Receipts
- + Customer Self Service (CSS) Administrator
- + Utility Billing Customer Account Management
- + Bill calculation and creation
- + 3<sup>rd</sup> Party Collections Management
- + Liens and release of liens
- + Bank Drafts and Credit Card Management

### **Present Situation:**

The Finance Department is facing many challenges, including the ability to recruit and retain qualified employees. Within the Core Accounting Team – which is comprised of 10 positions – there are three (3) vacancies, coupled with three (3) resignations that have occurred within the two last weeks. This situation presents risks for the City, such as: payroll processing, meeting vendor commitments, and protecting City funds (internal controls). In addition to the aforementioned risks, some of the short term challenges of the Department include:

- + Gap in leadership;
- + Lack of redundancy/backup in critical areas: Payroll & Accounts Payables;
- + Protection of Public Funds;
- + Internal controls over assets;
- + Potential loss of revenue: State Shared Revenues, grants, etc.;

- ✚ Potential debt non-compliance;
- ✚ Completing the FY16/17 Audit and Comprehensive Annual Financial Report (CAFR);
- ✚ Completion of the Forensic Audit;
- ✚ Potential impact on ratings and ability to issue future debt;
- ✚ Timely completion of Audits and CAFRs; and,
- ✚ Ability to complete special studies such as Impact Fees and 5-year Financial Plan.

While staff has tried to maintain the departmental day to day operations with limited staffing, at this time it is necessary to take immediate action to fill positions and maintain critical functions of the Department.

To that end, staff is recommending the following:

1. Utilize available funding from salary savings for temporary contractors and internal resources to ensure coverage of core functions.
  - Firms to be engaged might include the following:
    - Plante Moran;
    - Government & ERP Implementation Services;
    - Debbie Abenmoha;
    - Accounting Principals Inc./Ajilon;
    - Kforce Staffing and Solutions Inc.;
    - Robert Half/Accounting Temps;
    - MuniTemps – Municipal Staffing Solutions;
    - Albion Staffing Solutions;
    - Alpha 1 Staffing;
    - Severn Trent; and,
    - Munilytics
2. In addition, other City Departments will assist with operations as needed;
3. Ms. Celeste Lucia, Finance Director, has agreed to defer her resignation to assist with the transition;
4. Continue to recruit for critical positions;
5. Continue to develop long term solutions for the Department's operations;
6. Test potential 3<sup>rd</sup> party management of appropriate Finance Department Functions in conjunction with City employees; and,
7. Monthly progress report to the City Commission.

Accordingly, this agenda item requests the following:

1. City Commission to declare a unique circumstance pursuant to Section 23-8(5) of the City of Hallandale Beach Code of Ordinances;
2. Authorization for the City Manager to negotiate and obtain accounting and finance services for the City; and
3. Authorization to utilize an amount not to exceed \$400,000 from salary savings to take immediate action to fill positions and maintain critical functions within the City's Finance Department.

In closing, I would like to thank the Finance Director, Celeste Lucia, and Assistant Director, Barbara Trink, as well as Assistant City Manager, Jeremy Earle, City Attorney, Jenifer Merino and Director of Procurement, Andrea Lues, for developing the strategies that will solve the situation while I was recovering from surgery.

**Why Action is Necessary:**

Pursuant to Chapter 23, Procurement, of the City of Hallandale Beach Code of Ordinances, the City Manager has authority to negotiate and award bids, contracts and/or change orders within his purchasing authority, which is \$50,000 for bids and services, and \$25,000 for professional services. The City Commission must approve all awards over the authority of the City Manager.

**Proposed Action:**

Staff recommends the City Commission approve the attached resolution declaring unique circumstances pursuant to Section 23-8(5) of the Hallandale Beach Code of Ordinances and authorizing the City Manager to negotiate and obtain accounting and finance services necessary to resolve the situation.

**Attachment(s):**

Exhibit 1 – Resolution

Exhibit 2 – Power Point Presentation

*Barbara Trink*

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Barbara Trink,  
Assistant Director of Finance

*Celeste D. Lucia*

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Celeste D. Lucia  
Director of Finance