



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	File No.:	Item Type:	1 st Reading	2 nd Reading	
5/6/2026	26-115	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Other	Ordinance Reading	N/A	N/A
			Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
			Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
			Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact (\$):	Account Balance (\$):		Funding Source:	Project Number:	
\$45,842 (\$23,130 for FY26)	\$23,130		1610-554040	N/A	
Contract Required:	P.O. Required:	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N/A	Geovanne Neste, Finance Director	Finance	
Strategic Plan Focus Areas:					
<input checked="" type="checkbox"/> Fiscal Stability	<input checked="" type="checkbox"/> Resident Services	<input type="checkbox"/> Public Safety	<input type="checkbox"/> Infrastructure & Mobility	<input type="checkbox"/> Economic Development & Affordable Housing	
Implementation Timeline:					
Estimated Start Date: 10/1/2025			Estimated End Date: 9/30/2027		

SHORT TITLE:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING RATIFICATION OF THE EXISTING GRAVITY SERVICE AGREEMENT WITH IGM TECHNOLOGY CORP. AND APPROVING EXTENSION, FOR THE TOTAL AMOUNT OF ONE HUNDRED, TWENTY-SEVEN THOUSAND, NINE HUNDRED AND EIGHTY-TWO DOLLARS (\$127,982); AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

The Finance Department is requesting City Commission approval to ratify the existing Gravity Software as a Service (SaaS) (“Gravity”) agreement with IGM Technology Corp and approve the remaining two-years extension, covering Fiscal Years 2026 and 2027, in the amounts of \$23,130 and \$22,712, respectively, for a total of \$45,842 and request Commission approval to for the entire subscription in the amount of \$127,982.

This approval will allow continued use of Gravity to prepare the Annual Comprehensive Financial Report (ACFR), the State of Florida Annual Financial Report (AFR), and quarterly financial reports, while leveraging automation and enhanced functionality implemented in prior years.

Background:

Prior to the implementation of Gravity (FY2022 and earlier), preparation of the City's ACFR relied heavily on external auditors. The most recent ACFR (FY2024) cost \$25,000. In addition to the costs of ACFR preparation by auditors, significant staff time was required to fully review multiple lengthy draft report versions, compile detailed comments, and coordinate revisions through the auditors. Increasing reporting requirements and Governmental Accounting Standards Board (GASB) pronouncements expanded the report to nearly 150 pages and are expected to continue increasing complexity and preparation time. As the reports expanded, this process became increasingly time-consuming and inefficient, requiring growing amounts of staff resources and reducing overall operational efficiency.

To improve efficiency, effectiveness, and maintain greater control over the ACFR preparation process, the Finance Department researched and demonstrated five ACFR software solutions to support in-house report preparation. These solutions included The Reporting Solution (TRS), CaseWare, Workiva, DebtBook, and Gravity. When exploring these software solutions, the Finance Department considered factors such as ADA compliance, audit progress tracking, lease and debt tracking, cloud accessibility, CPA assistance, and overall cost-effectiveness.

Based on this research, Gravity was determined to be the most comprehensive, met all of the above-mentioned considerations, and appeared to be in the best interest of the City. The software provided the functionality necessary to transition ACFR preparation in-house while enhancing reporting capabilities and allowing staff to make updates and changes to drafts directly.

In FY2022, the Finance Department entered into a one-year SaaS agreement with IGM Technology Corp to implement Gravity. Due to Finance's staffing shortages, implementation and initial costs were delayed to FY2023. While the original agreement was for a single year, it included locked-in pricing for optional one-year renewals for up to five (5) total years. This optional renewal structure provides flexibility to adjust modules, implement new features, and realize efficiencies in ACFR preparation and reporting while allowing Finance to evaluate the software annually based on budget and operational needs (See Exhibit 2).

Prior to FY2025, the only ACFR issued by the City using Gravity was for the FY2023 ACFR. The Finance Department experienced challenges with the Gravity Platform, and the FY2024 ACFR was prepared by the City's Auditors to ensure issuance was not delayed. At the time, the Finance Department was considering not renewing and exploring other options.

However, in FY2025, a new and improved version of the Gravity Platform was released that was designed to solve many of the challenges we were experiencing (e.g. accuracy of report, need for continuous changes). A reimplementations was required which included additional implementation fees to migrate to the new platform. Additionally, modules related to debt and lease management were removed, and we added a new module to assist with the State of Florida Annual Financial Report (AFR) which is submitted after the issuance of the ACFR every year (See Exhibit 3).

As of FY2025, the Department has fully implemented key modules, including the ACFR preparation module, AI-assisted automation for grouping accounts, and the AFR module for state-mandated reporting. The annual costs associated with the Gravity SaaS agreement between FY2022 and FY2025, including the reimplementations and upgrades, are summarized below:

Fiscal Year	Implementation (One-time fees)	SaaS	Additional Modules	Total Amount	Notes
FY 2021-22/ 2022-23	\$8,500	\$16,000	N/A	\$24,500	Initial year (implementation)
FY2023-24	\$0	\$16,000	N/A	\$16,000	Year 2 renewal
Fiscal Year	Implementation (One-time fees)	SaaS	Additional Modules	Total Amount	Notes
FY 2024–25	\$20,000	\$16,640	\$5,000	\$41,640	MDFM (new software version) reimplementation + AFR module
Total FY2023- FY2025	\$28,500	\$48,640	\$5,000	\$82,140	

Current Situation:

The Finance Department continues to utilize Gravity to enhance financial reporting processes. The software has enabled the Finance Department to transition ACFR preparation “in-house”, significantly reducing reliance on external auditors and minimizing staff time spent on reviewing multiple lengthy drafts. The implementation of the software has also increased efficiency by automating account groupings, reducing manual reconciliations, and streamlining the internal review and revision workflow. Enhanced features, including AI-assisted functionality and the AFR module, continue to provide operational benefits in workflow management, audit tracking, and reporting capabilities.

Pursuant to Code of Ordinances, in accordance with Procurement Code Section 23-3, Definitions, a project is defined as an endeavor with a specific scope designed to produce a result with a defined beginning and end and deliverables. The determination of whether various activities should constitute one project or multiple projects should be made in the best interest of the city, taking into account the intent of the policies in this chapter, efficiency, time constraints, funding sources, and reasonable distinctions between activities. A project should never be split for the purpose of avoiding the restrictions of this chapter.

Under the City’s newly revised procurement code (amended by Ordinance 2025-025 on September 29, 2025), the continued use of this agreement across multiple fiscal years is now defined as a single project. As a result of the revised definition, the cumulative cost of the agreement exceeds the \$75,000 threshold, requiring City Commission approval to proceed with the final two optional renewal years (FY2026 and FY2027).

The total costs associated with the Gravity agreement, including the FY2026–FY2027 renewals, and final implementation costs related to quarterly reporting, are summarized below:

Fiscal Year	Implementation (One-time fees)	SaaS	Additional Modules	Total Amount	Notes
FY 2021-22/ 2022-23	\$8,500	\$16,000	N/A	\$24,500	Initial year (implementation)
FY2023-24	\$0	\$16,000	N/A	\$16,000	Year 2 renewal
FY 2024–25	\$20,000	\$16,640	\$5,000	\$41,640	MDFM (new software version) reimplementation + AFR module
FY 2025–26	\$1,500	\$16,380	\$5,250	\$23,130	Year 4 renewal
FY 2026–27	\$0	\$17,199	\$5,513	\$22,712	Year 5 renewal
Total FY2023- FY2027	\$30,000	\$82,219	\$15,763	\$127,982	

