



**North Bay Village
Special Village Commission Meeting
AGENDA**

MAY 14, 2019

4:30 P.M.

**1666 Kennedy Causeway, Suite #101, North Bay
Village, FL 33141**

Decorum. Disruptive behavior. No clapping, applauding, heckling or verbal outbursts in support or opposition to a speaker or his or her remarks shall be permitted. No signs or placards shall be allowed in the Commission chamber. Persons exiting the Commission chamber shall do so quietly. No person other than the person having the floor shall be permitted to enter into any discussion, either directly or through a member of the Commission, without permission of the presiding officer. No questions shall be asked of a commission member, except through the presiding officer. The presiding officer or the parliamentarian may order the removal of any person interfering with the commission meeting; providing such officer has first issued a warning that continued interference of the orderly process of the meeting will result in removal.

Any person who received compensation, remuneration or expenses for conducting lobbying activities is required to register as a lobbyist with the Village Clerk prior to engaging in lobbying activities per Village Code Sec. 38-17. "Lobbyist" specifically includes the principal, as well as any agent, officer or employee of a principal, regardless of whether the lobbying activities fall within the normal scope of employment of the agent, officer or employee. The term "lobbyist" specifically excludes the following persons: lobbyists hired by the Village who are communication with Village personnel in the course of performing under their contracts; attorneys or other representatives retained to represent individuals and corporate entities in quasi-judicial proceedings where the law prohibits ex-parte communications; expert witnesses who only provide scientific, technical or other specialized information or testimony at public meetings; employees of the principal who do not engage in lobbying activities and representatives of non-profit organizations who only appear at publicly noticed meetings, without special compensation or reimbursement for the appearance, whether direct, indirect or contingent, to express support or opposition to any item.

1. Opening Items

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

2. North Bay Village Organizational Assessment from Alvarez & Marsal Public Sector Services, LLC (A&M)

3. Public Comments

4. Adjournment

THIS MEETING IS OPEN TO THE PUBLIC. IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1990, ALL PERSONS THAT ARE DISABLED; WHO NEED SPECIAL ACCOMMODATIONS TO PARTICIPATE IN THIS MEETING BECAUSE OF THAT DISABILITY SHOULD CONTACT THE OFFICE OF THE VILLAGE CLERK AT 305-756-7171 EXT. 45 NO LATER THAN FOUR DAYS PRIOR TO SUCH PROCEEDING.

IN ACCORDANCE WITH THE PROVISIONS OF SECTION 286.0105, FLORIDA STATUTES, ANYONE WISHING TO APPEAL ANY DECISION MADE BY VILLAGE COMMISSION, WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING OR HEARING, WILL NEED A RECORD OF THE PROCEEDINGS AND FOR SUCH PURPOSE, MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE WHICH RECORD SHALL INCLUDE THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. AGENDA ITEMS MAY BE VIEWED AT THE OFFICE OF THE VILLAGE CLERK, NORTH BAY VILLAGE, 1666 KENNEDY CAUSEWAY. ANYONE WISHING TO OBTAIN A COPY OF ANY AGENDA ITEM SHOULD CONTACT THE VILLAGE CLERK AT 305-756-7171 EXT 45. A COMPLETE AGENDA PACKET IS ALSO AVAILABLE ON THE VILLAGE WEBSITE AT www.nbvillage.com.

TO REQUEST THIS MATERIAL IN ACCESSIBLE FORMAT, SIGN LANGUAGE INTERPRETERS, INFORMATION ON ACCESS FOR PERSON WITH DISABILITIES, AND/OR ANY ACCOMMODATION TO REVIEW ANY DOCUMENT OR PARTICIPATE IN ANY VILLAGE-SPONSORED PROCEEDING, PLEASE CONTACT (305) 756-7171 FIVE DAYS IN ADVANCE TO INITIATE YOUR REQUEST. TTY USERS MAY ALSO CALL 711 (FLORIDA RELAY SERVICE).



North Bay Village Memorandum

ITEM NO. 2

DATE: 5/7/2019
TO: North Bay Village Community
FROM: Mayor Brent Latham and Interim Village Manager Ralph Rosado, PhD
SUBJECT: Joint Statement Regarding Organizational Assessment

The North Bay Village Mayor, Vice Mayor, Commissioners and Administration are pleased to have received the final assessment report executed by Alvarez & Marsal (A & M) regarding village financial operations, human resources management, and general management structure.

The report includes dozens of recommendations to be implemented in the short-, medium- and long-run. By implementing these recommendations, the village can streamline operations, better serve our residents and stakeholders, and optimize spending to save taxpayer money.

This report arms the Commission and staff to fast track our transition toward a better and stronger village.

The details of the report will be presented by A & M at the upcoming special Commission Meeting on May 14th, at 4:30 pm, which will be open to the public for questions, comments and participation.



OFFICIAL DOCUMENT

Alvarez & Marsal
Public Sector Services, LLC
655 15th Street, NW
Suite 600
Washington, D.C. 20005
Phone: +1 202 729 2100
Fax: +1 202 729 2101

February 7, 2019

Mayor Brent Latham
Village of North Bay Village, Florida
1666 Kennedy Causeway, Third Floor
North Bay Village, Florida 33141

Dear Mayor Latham:

This letter confirms and sets forth the terms and conditions of the engagement between Alvarez & Marsal Public Sector Services, LLC (“A&M”) and Village of North Bay Village, Florida and its assigns and successors (the “Village”), including the scope of the services to be performed and the basis of compensation for those services. Upon execution of this letter by each of the parties below, this letter will constitute an agreement between the Village and A&M (the “Agreement”).

1. Scope of Services

Alvarez & Marsal Public Sector Services, LLC will complete an independent evaluation and assessment of the Finance and Human Resources operational functions and advisory consulting support to the Village Manager’s Office. These services will include:

Task 1: Financial Operational Assessment

A&M will complete a five-week assessment of the Village’s financial operations. The assessment will review current business processes, internal controls and reporting within the Finance Department and recommend areas for potential improvement, including:

- (a) Review of current operating policies, business procedures and practices for the collection of revenues from citizens, ratepayers and businesses.
- (b) Review of the current policies, procedures and practices for cash management to safeguard Village assets
- (c) Review of current operating, procurement/purchasing and accounts payable procedures and practices and controls to ensure Village spending follows approved policies, budget priorities and best practices
- (d) Review of budgeting and capital planning processes and planning assumptions for the current fiscal year
- (e) Validate prior accounting for debt service funded projects and any reserve requirements for principal and interest on current and future year debt service payments
- (f) Review payroll processes and controls for proper payment of employees
- (g) Review of prior year audit management letter and internal control audits to ensure any cited improvements are being addressed with detailed action plans

A&M will provide to Mayor and Village Commission our observations and recommendations for potential financial management operations improvement opportunities. This will include recommendations for potential improvements in business processes, internal controls and new and/or enhanced fiscal management policies. Our assessment will also provide potential organizational and operational improvements to address best practices and any segregation of duty needs.

A&M expects work related to this task to commence on or about Monday, February 11, 2019 and conclude at the end of the fifth week: Friday, March 15, 2019.

Task 2: Human Resource Assessment

A&M will complete a three-week high-level review of the Village's Human Resources department. A&M's assessment will include:

- (a) Review of existing Village policies and procedures and controls to evaluate the alignment of resource management practices with best practices in personnel management.
- (b) Review the current organizational structure, compare to benchmarks, as appropriate, and make recommendations for improvement
- (c) Review internal training and development requirements and opportunities and recommend potential improvements to attract and maintain quality and well-trained staff
- (d) Review processes related to creation and utilization of job descriptions as well as performance evaluation process, and compare to best practices, as appropriate, and make recommendations for improvement

A&M expects work related to this task to commence on or about Monday, March 18, 2019 (i.e. following the conclusion of task one) and conclude at the end of the third week: Friday, April 5, 2019.

Task 3: Village Management Advisory Support

A&M will provide eight weeks of management consulting and advisory support to the Village Manager's Office and the Village Commission. Major tasks and areas of responsibility will include:

- (a) Discuss with the Mayor, the Village Commissioners, Interim Village Manager and Department Heads about their current priorities and upcoming challenges and how these topics relate to short- and long-term priorities outside of Task 1 and Task 2.
- (b) Provide advisory recommendations on the delivery of Village services and guidance for Department Heads regarding service delivery based on best practices and benchmarks, as appropriate
- (c) For Departments not captured in Task 1 (Finance) or Task 2 (HR), with priority of review based on size of current year budget and potential opportunity based on preliminary best-practice and benchmark review, provide suggestions for improvement, to include organizational structure, staffing levels, potential training requirements, and aspects of community and economic development that might fall under the normal duties of the City Manager's office, as appropriate and as time allows.
- (d) Assist Mayor and Village Commissioners in the search of permanent Village Manager

A&M expects work related to this task to commence on or about Monday, February 11, 2019 and conclude at the end of the eighth week: Friday, April 5, 2019. Note that support for this task will occur concurrent to support for Task 1 and Task 2, as outlined above.



In connection with the services to be provided hereunder, from time to time A&M may utilize the services of employees of its affiliates. Such affiliates are wholly owned by A&M's parent company and employees.

A&M personnel providing services to the Company may also work with other A&M clients in conjunction with unrelated matters.

2. Information Provided by the Village and Forward Looking Statements

The Village shall use all reasonable efforts to: (i) provide A&M with access to management and other representatives of the Village; and (ii) to furnish all data, material, and other information concerning the business, assets, liabilities, operations, cash flows, properties, financial condition and prospects of the Village that A&M reasonably request in connection with the services to be provided to the Village. A&M shall rely, without further independent verification, on the accuracy and completeness of all publicly available information and information that is furnished by or on behalf of the Village and otherwise reviewed by A&M in connection with the services performed for the Village. The Village acknowledges and agrees that A&M is not responsible for the accuracy or completeness of such information and shall not be responsible for any inaccuracies or omissions therein. A&M is under no obligation to update data submitted to it or to review any other areas unless specifically requested by the Village Commission to do so.

You understand that the services to be rendered by A&M may include the preparation of projections and other forward-looking statements, and numerous factors can affect the actual results of the Village's operations, which may materially and adversely differ from those projections. In addition, A&M will be relying on information provided by the Village in the preparation of those projections and other forward-looking statements.

3. Limitation of Duties

A&M makes no representation or guarantee that, inter alia, (i) an appropriate restructuring proposal or strategic alternative can be formulated for the Village (ii) any restructuring proposal or strategic alternative presented to the Village's management or the Village Commission or Responsible Officers will be more successful than all other possible restructuring proposals or strategic alternatives, (iii) restructuring is the best course of action for the Village or (iv) if formulated, that any proposed restructuring plan or strategic alternative will be accepted by any of the Village's creditors, shareholders and other constituents. Further, A&M does not assume any responsibility for the Village's decision to pursue, or not pursue any business strategy, or to effect, or not to effect any transaction. A&M shall be responsible for assistance with the implementation only of the restructuring proposal or strategic alternative approved by the Village Commission or Responsible Officers and only to the extent and in the manner authorized by and directed by the Village Commission or Responsible Officers and agreed to by A&M.

4. Compensation

The professional fees for this engagement are based on a weekly amount for each of the three major identified tasks:



<u>Task Area</u>	<u>Fees per week</u>
1. Finance Assessment	\$ 40,000 per week
2. Human Resources Assessment	\$ 40,000 per week
3. Village Management Advisory Support	\$ 20,000 per week

Given the timelines in Section 1 above, the fees by task area are:

<u>Task Area</u>	<u>Fees</u>
1. Finance Assessment	\$ 200,000 for five weeks
2. Human Resources Assessment	\$ 120,000 for three weeks
3. Village Management Advisory Support	\$ 160,000 for eight weeks

In addition, A&M will be reimbursed at its cost (i.e. no margin) for its reasonable out-of-pocket expenses incurred in connection with this assignment, such as travel, lodging, duplicating, messenger and telephone charges. A&M agrees to cap its expenses at 15% of fees, so the Village will reimburse A&M for the latter's expenses at the actually-incurred level or 15% of fees, whichever is lower.

All fees and expenses will be billed and payable on a monthly basis.

5. Term

- (a) This Agreement will apply from the commencement of the services referred to in Section 1 and may be terminated with immediate effect by either party without cause by written notice to the other party.
- (b) A&M normally does not withdraw from an engagement unless the Village misrepresents or fails to disclose material facts, fails to pay fees or expenses, or makes it unethical or unreasonably difficult for A&M to continue performance of the engagement, or other just cause exists..
- (c) On termination of the Agreement, any fees and expenses due to A&M shall be remitted promptly (including fees and expenses that accrued prior to but are invoiced subsequent to such termination).
- (d) The provisions of this Agreement that give the parties rights or obligations beyond its termination shall survive and continue to bind the parties.

6. Relationship of the Parties

The parties intend that an independent contractor relationship will be created by this engagement letter. Neither A&M nor any of its personnel or agents is to be considered an employee or agent of the Village and the personnel and agents of A&M are not entitled to any of the benefits that the Village provides for the Village employees. The Village acknowledges and agrees that A&M's engagement shall not constitute an audit, review or compilation, or any other type of financial statement reporting engagement that is subject to the rules of the AICPA, SEC or other state or national professional or regulatory body.



7. No Third Party Beneficiary

The Village acknowledges that all advice (written or oral) provided by A&M to the Village in connection with this engagement is intended solely for the benefit and use of the Village (limited to its Village Commission and management) in considering the matters to which this engagement relates. The Village agrees that no such advice shall be used for any other purpose or reproduced, disseminated, quoted or referred to at any time in any manner or for any purpose other than accomplishing the tasks referred to herein without A&M's prior approval (which shall not be unreasonably withheld), except as required by law.

8. Conflicts

A&M is not currently aware of any relationship that would create a conflict of interest with the Village or those parties-in-interest of which you have made us aware. Because A&M and its affiliates and subsidiaries comprise a consulting firm (the "Firm") that serves clients on a global basis in numerous cases, both in and out of court, it is possible that the Firm may have rendered or will render services to or have business associations with other entities or people which had or have or may have relationships with the Village, including creditors of the Village. The Firm will not be prevented or restricted by virtue of providing the services under this Agreement from providing services to other entities or individuals, including entities or individuals whose interests may be in competition or conflict with the Village's, provided the Firm makes appropriate arrangements to ensure that the confidentiality of information is maintained.

9. Confidentiality / Non-Solicitation

A&M shall keep as confidential all non-public information received from the Village in conjunction with this engagement, except: (i) as requested by the Village or its legal counsel; (ii) as required by legal proceedings or (iii) as reasonably required in the performance of this engagement. All obligations as to non-disclosure shall cease as to any part of such information to the extent that such information is or becomes public other than as a result of a breach of this provision. The Village, on behalf of itself and its subsidiaries and affiliates and any person which may acquire all or substantially all of its assets agrees that, until two (2) years subsequent to the termination of this engagement, it will not solicit, recruit, hire or otherwise engage any employee of A&M or any of its affiliates who worked on this engagement while employed by A&M or its affiliates ("Solicited Person"). Should the Village or any of its subsidiaries or affiliates or any person who acquires all or substantially all of its assets extend an offer of employment to or otherwise engage any Solicited Person and should such offer be accepted, A&M shall be entitled to a fee from the party extending such offer equal to the Solicited Person's hourly client billing rate at the time of the offer multiplied by 4,000 hours for a Managing Director, 3,000 hours for a Senior Director and 2,000 hours for any other A&M employee. The Village acknowledges and agrees that this fee fairly represents the loss that A&M will suffer if the Village breaches this provision. The fee shall be payable at the time of the Solicited Person's acceptance of employment or engagement.

10. Limitations on Liability

A&M's and its affiliates' total liability relating to this Agreement or the services shall in no event exceed the fees actually paid to A&M hereunder for the portion of the services giving rise to liability, except to



the extent that such liability is finally determined to have arisen from the gross negligence or willful misconduct of A&M. In no event shall the liability of A&M and its affiliates relating to this Agreement or the services include any special, consequential, incidental, punitive or exemplary damages or loss (including any lost profits, savings or business opportunity, even if A&M is advised of the likelihood of such damages). If any person or entity requests or subpoenas any information or materials related to the services, A&M will inform the Village of such request or subpoena. The Village agrees to reimburse A&M for any time and expenses related to the request or subpoena. Termination of this engagement shall not affect these limitations on liability provisions, which shall remain in full force and effect.

11. Miscellaneous

This Agreement (together with the attached indemnity provisions), including, without limitation, the construction and interpretation of thereof and all claims, controversies and disputes arising under or relating thereto, shall be governed and construed in accordance with the laws of the State of Florida, without regard to principles of conflict of law that would defer to the laws of another jurisdiction. The Village and A&M agree to waive trial by jury in any action, proceeding or counterclaim brought by or on behalf of the parties hereto with respect to any matter relating to or arising out of the engagement or the performance or non-performance of A&M hereunder. The Village and A&M agree, to the extent permitted by applicable law, that any Federal Court sitting within the Southern District of Florida shall have exclusive jurisdiction over any litigation arising out of this Agreement; to submit to the personal jurisdiction of the Courts of the United States District Court for the Southern District of Florida; and to waive any and all personal rights under the law of any jurisdiction to object on any basis (including, without limitation, inconvenience of forum) to jurisdiction or venue within the State of Florida for any litigation arising in connection with this Agreement.

This Agreement shall be binding upon A&M and the Village, their respective heirs, successors, and assignees, and any heir, successor, or assignee of a substantial portion of A&M's or the Village's respective businesses and/or assets, including any Chapter 11 Trustee. This Agreement incorporates the entire understanding of the parties with respect to the subject matter hereof and may not be amended or modified except in writing executed by the Village and A&M. Notwithstanding anything herein to the contrary, A&M may reference or list the Village's name and/or logo and/or a general description of the services in A&M's marketing materials, including, without limitation, on A&M's website.

As used in this Agreement, "gross negligence" means the failure to observe even slight care in one's conduct or conduct that is carelessness or recklessness to a degree that shows complete disregard for the consequences that may result from such conduct. Gross negligence shall not include (i) simple absence of ordinary care or diligence or (ii) a party's adherence to industry standards and practices in the absence of such party's fraud, willful misconduct or conduct showing the disregard for or indifference to the consequences that may result from such conduct.

If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms.

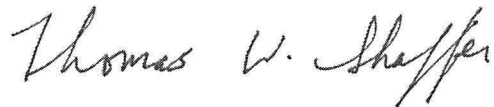
Very truly yours,



Village of North Bay Village, Florida
February 8, 2019
Page 7 of 7

ALVAREZ & MARSAL PUBLIC SECTOR
SERVICES, LLC

By: Thomas W. Shaffer, Managing Director

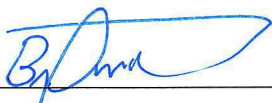


Date: February 8, 2019

Accepted and Agreed:

Village of North Bay Village, Florida

By: Mayor Brent Latham

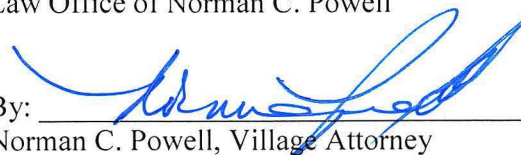
Signature  _____
Date: 2-8-19

ATTEST:

By:  _____
Graciela Mariot, Interim Village Clerk
Date: 2/8/2019

APPROVED AS TO FORM:

Law Office of Norman C. Powell

By:  _____
Norman C. Powell, Village Attorney
Date: 2-8-19





North Bay Village Organizational Assessment

ALVAREZ & MARSAL



Friday, April 5, 2019





- I. Executive Summary
- II. Task 1 – Financial Operational Assessment
- III. Task 2 – Human Resources Assessment
- IV. Task 3 – Village Management Advisory Support (and Assessment of Other Departments)
- V. Appendix

Assumptions vs. Observations

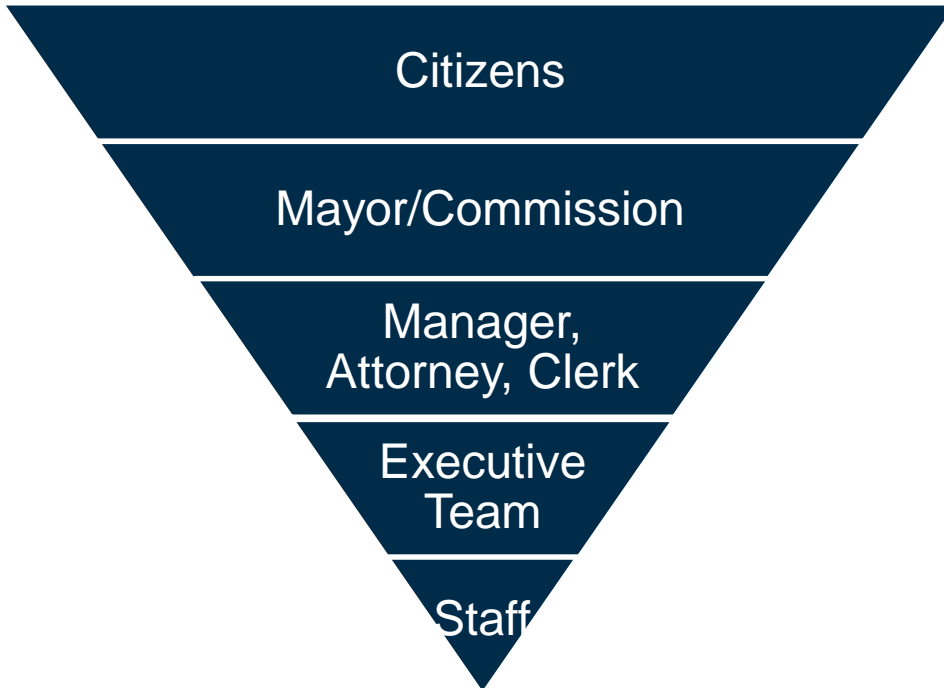
	Assumptions <i>(Prior to A&M s Review)</i>	Observations <i>(During A&M s Review)</i>
	Leaders have misappropriated Village funds or cannot account for large sums of money	A&M did not observe intentional mismanagement of funds in review of financial operations and documentation provided by Village staff
	Village staff are not doing their jobs or the Village performs worse than other communities	A&M found that lack of consistent, stable and aligned leadership across the Village has limited the effectiveness of staff



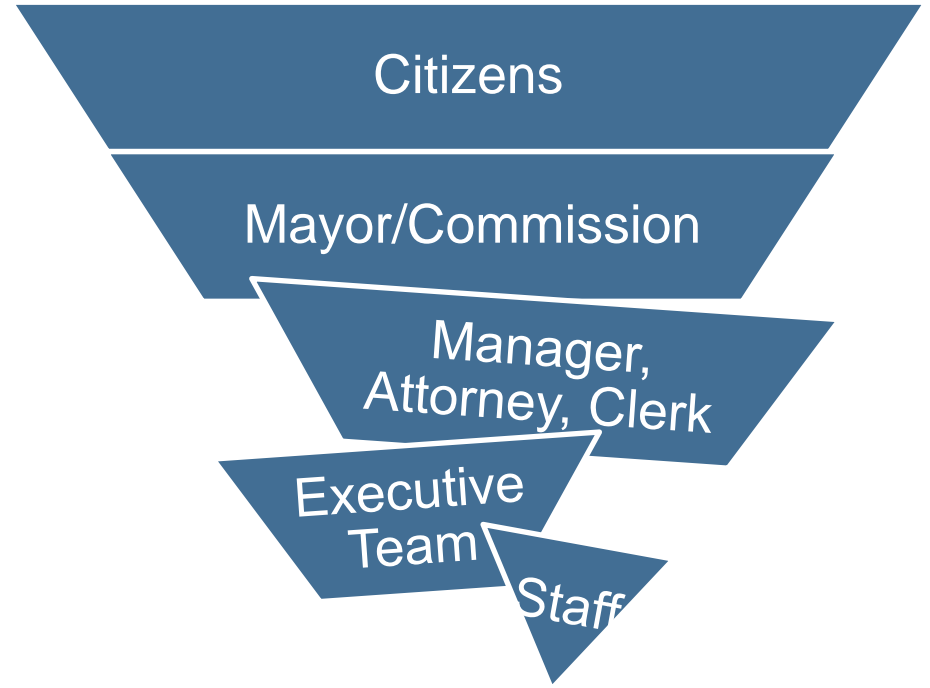
Current organization is unstable and needs alignment

Village Mission Statement - The Village Commission will work to serve the diverse community and enhance the quality of life for all inhabitants of this “Three Island Paradise” by preserving our natural resources, stimulating economic activity, maintaining a safe environment, and improving the appearance of the Village **through effective and transparent leadership.**

Balanced Organization *Alignment - Stability*



North Bay Village *Misalignment - Instability*



Task Level Assessment Findings Summary

As a result of the eight-week engagement, A&M identified key findings across each of the three tasks. These findings serve as the basis for the priority recommendations.

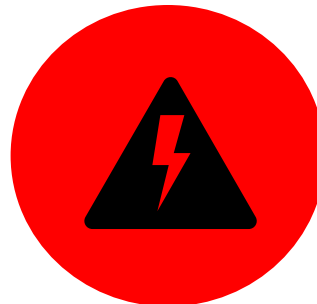
Task 1: Financial Operational Assessment



NEEDS SIGNIFICANT IMPROVEMENT

- Lack of future-focused, strategic leadership for the Finance function
- Insufficient processes to provide appropriate oversight and controls for Village resources
- Ineffective uses of existing technology resources

Task 2: Human Resources Assessment



NEEDS SIGNIFICANT IMPROVEMENT

- No core focus on Human Resources as management of the Village's human capital
- Inconsistent processes for professional development and performance evaluation
- Lack of clarity in job descriptions and reporting structure

Task 3: Village Management Advisory Support














NEEDS IMPROVEMENT

- Most Departments do not have a permanent/named/budgeted Department Head
- Departments perform relatively well compared to benchmarks but better data needs to be captured and analyzed
- Staffing levels are appropriate for now, but need ongoing analysis










By implementing the priority recommendations, the Village could achieve **\$1.92 million to \$3.67 million in gross savings over the next five years**. After investments to strengthen the Village's leadership team and structure, net savings could be **\$450 thousand to \$1.44 million over the same period**.

	Five-Year Total Estimates	
	Low	High
Savings		
Finance Department Initiatives	\$ 1,060,000	\$ 1,460,000
HR Department Initiatives	640,000	1,590,000
Other Department Initiatives	220,000	620,000
Gross Savings	\$ 1,920,000	\$ 3,670,000
Leadership Investments		
Reinstate previously budgeted positions	\$ 1,100,000	\$ 1,510,000
Create new leadership roles	70,000	150,000
Bring key roles inline with market rate	300,000	570,000
Total Leadership Investments	\$ 1,470,000	\$ 2,230,000
Net Savings	\$ 450,000	\$ 1,440,000










Task 1: Financial Operational Assessment

		Current State	Recommended State	See pages
Area				
Department Leadership		Finance is currently led by a Finance Director	Establish a Chief Financial Officer role with a future-focused strategic vision for the Finance function	18
Financial Policies		No separately documented policies outside of the Charter	Create, adopt, and implement key financial policies	19-20
Technology Optimization		The Village is not maximizing current modules in Tyler system to support financial management activities	Optimize use of the Tyler system to support financial management functions	21
Procurement		There is no centralized procurement function	Identify an appropriately trained Procurement Director to drive increased consistency and compliance in the purchasing process	22-23
Payroll		The Accountant spends 60 to 70 percent of time doing payroll due to significant manual processes and paper record keeping	Enhance use of ADP to increase timekeeping accuracy and reduce the number of manual payroll processes	24
Cash Management		Cash collection is handled by Front Desk staff with oversight from the Village Manager	Increase cash management practices to enhance controls and provide additional security for Village funds	25
Annual Budget Process		The Village currently has limited budget preparation activity in the first three fiscal quarters of the year	Adopt a comprehensive budget policy and consider the benefits of building a zero-base budget	26
Debt Service Accounting		Tax levy for debt service is comingled with funds for general operations	Transfer funds from the debt service levy to the Debt Service Fund upon receipt	27
Outsourcing		Finance is currently staffed with Village employees	Take advantage of opportunities to improve utilization of current outsourced functions	28-29

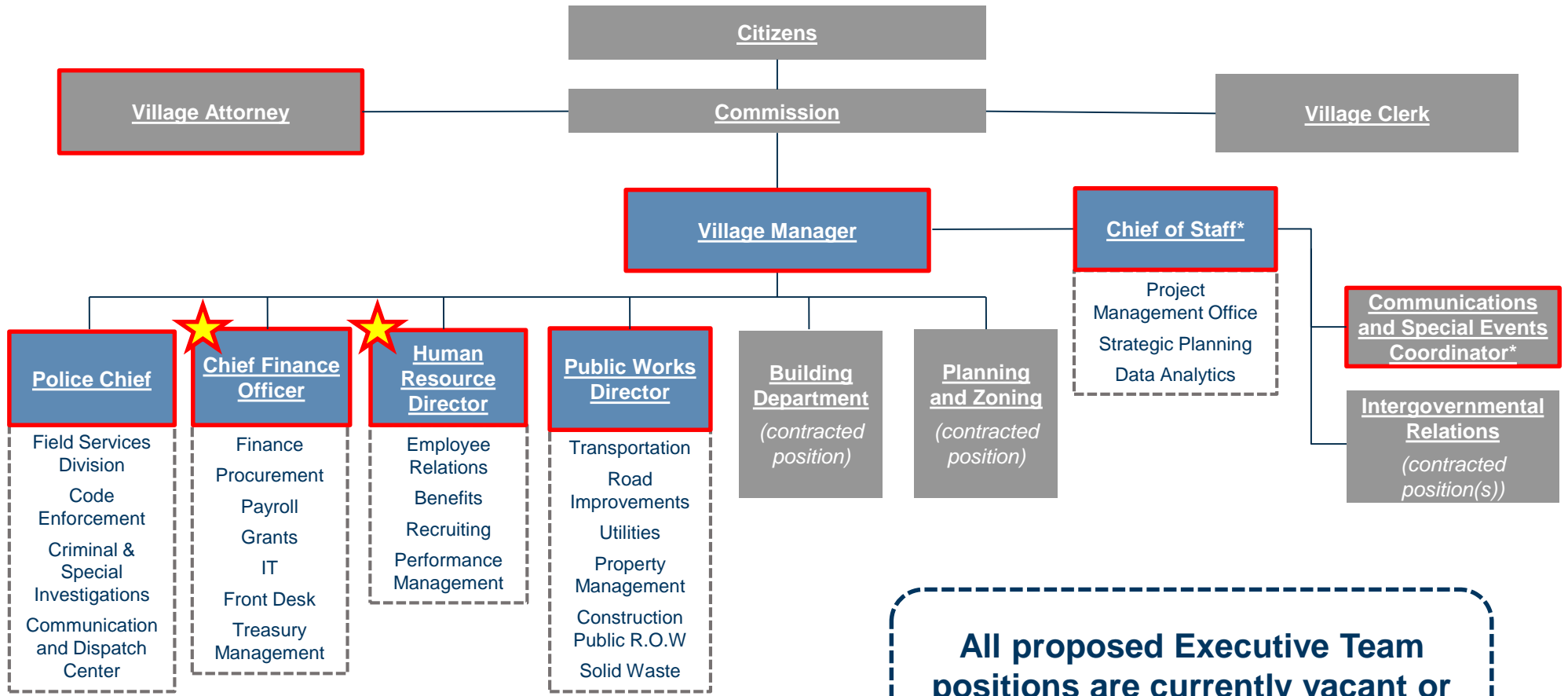
Task 2: Human Resource Operational Assessment

Current State		Recommended State		
Area			See pages	
HR Department Function & Leadership		The majority of the HR Coordinator's time is spent planning events for the Village.	Create an HR Director position to lead the department in line with Village organizational strategy and priorities	34
Reporting Structure		The Span of Control is 1:5, in line with best practices	Clarify reporting lines and chain of command across Village employees	35
Training and Development		There are currently no required trainings for Village Employees	Village employees should identify annual training goals	36
Recruitment and Retention		No consistent procedure for recruiting employees and tracking them throughout the process	The Village should follow a consistent procedure for recruiting employees	37
Job Description Review		Job descriptions are not reviewed with any regular cadence	Review job descriptions annually to ensure employees are completing required tasks and key functions	38
Performance Evaluation		Performance evaluations are conducted annually on each employee's anniversary	Enhance performance evaluation process to include goal setting and a mid-year review	39
Benefits		North Bay Village's benefit load was 12 percent higher compared to peer municipalities.	Evaluate benefits and ensure they are in line with peer municipalities	40

Task 3: Other Department Operational Assessment

Department	Department Head 	Staffing 	Benchmarking 	See pages
Building Building, Planning and Zoning	 No functional Department Head	Data and observations indicate staff levels appear appropriate	Favorable performance compared to benchmarks	46
Police Police, Code Enforcement, and Fleet	 Interim Department Head	Data indicates initial need to reallocate staffing resources before considering new hires	Mostly favorable performance compared to benchmarks	47-49
Public Works Roads, Parks, Minibus, Sanitation, and Utilities	 Acting Department Head and no position funded in the current Budget	Data does not provide clear staffing indicators but there is potential to outsource sanitation and the minibus	Insufficient data to determine performance for employees	50
Village Manager	 Interim Manager	Potentially understaffed given no Assistant or Deputy Manager	No Data Points Analyzed	51
Village Clerk	 New Clerk hired 3/12/19	Potentially understaffed with no Deputy Clerk	Insufficient data to determine performance	52
Village Attorney	 Interim Attorney as of 4/5/19 and reviewing proposals for new Attorney	Attorney will staff accordingly	Most benchmark municipalities outsource legal services	53

Recommended Village Summary Organizational Structure



All proposed Executive Team positions are currently vacant or have an interim/acting employee.

Executive Team

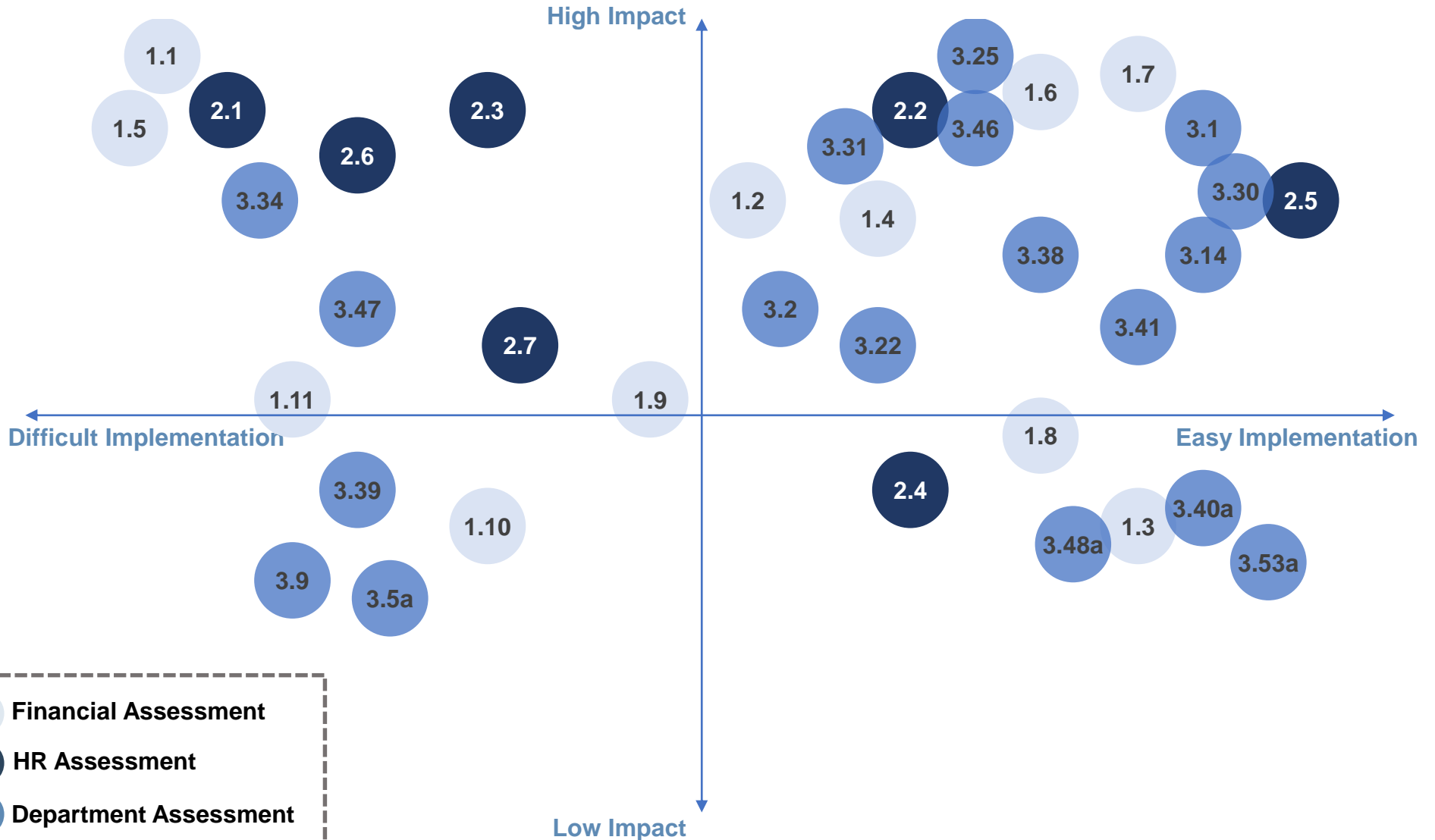
Positions that are vacant or currently have an interim/acting employee

Recommended New Positions

* Positions that currently have applications in the market

Recommendations Matrix

A&M identified priority recommendations for each assessment based on level of impact as well as ease or difficulty of implementation. Of the **36 priority recommendations**, **17 have relatively high impact and are easy to implement.**



See **Appendix D** for the Recommendation Matrix Index.

A&M recommends that the **Village** establish a **PMO** function will ensure that recommendations are effectively implemented **systematically, on-time, and on-budget**.



Goals

- Establish the project governance processes
- Identify long and short term goals
- Clarify roles and responsibilities
- Communicate implementation expectations to project leads
- Determine priority initiatives
- Develop overall project roadmap
- Establish project communication protocols
- Monitor projects and analyze feedback
- Ensure adherence to project schedule and budget

Key Outcomes/Deliverables

- PMO Vision and Goals
- Roles and Responsibilities
- PMO Tools and Templates
- Project implementation budgets
- Regular status updates
- Risks and issues log
- Ongoing project reporting
- Progress reports
- Final project evaluation report



- I. Executive Summary
- II. Task 1 – Financial Operational Assessment
- III. Task 2 – Human Resources Assessment
- IV. Task 3 – Village Management Advisory Support (and Assessment of Other Departments)
- V. Appendix

Five-Week Project Scope:

- Review of current operating policies, business procedures and practices for the collection of revenues from citizens, ratepayers and businesses
- Review of the current policies, procedures and practices for cash management to safeguard Village assets
- Review of current operating, procurement/purchasing and accounts payable procedures and practices and controls to ensure Village spending follows approved policies, budget priorities and best practices
- Review of budgeting and capital planning processes and planning assumptions for the current fiscal year
- Validate prior accounting for debt service funded projects and any reserve requirements for principal and interest on current and future year debt service payments
- Review payroll processes and controls for proper payment of employees
- Review of prior year audit management letter and internal control audits to ensure any cited improvements are being addressed with detailed action plans

Assessment Approach:

- Interviewed Key Finance and Related Personnel:
 - Finance Director
 - Senior Accountant
 - Accountant
 - Front Desk Supervisor
 - ADP representative
 - Tyler representative
- Reviewed a variety of data sources:
 - Village Charter and existing financial policies
 - CAFRs, budget, and financial reports
 - Check warrants
 - Key financial policies
 - Current third party contracts
 - Insurance and risk management
 - Tyler system process manuals
 - Bank reconciliation reports
 - Official statements for outstanding debt
 - Previous audit reports
 - Invoice sampling for Village purchases

Context:

- The North Bay Village (“the Village”) Finance Department is staffed with four people, the Finance Director, Senior Accountant, Accountant, and a contracted staff person to support Accounts Payable transactions. There are two additional staff people who work at the Front Desk of the Village Hall and are involved in collection cash associated with utility payments, permits, and other miscellaneous items.
- The Village uses the Tyler Technologies system to support the majority of financial management systems and ADP for the payroll function.
- The Finance Department manages the process for billing citizens for the utility services provided by the Public Works Department.

Approach:

- During the five-week financial operational assessment, A&M identified recommendations for the Village’s financial management policies and procedures. In addition, A&M developed an implementation plan that will position the Village for long-term operational success.
- The A&M team met with staff of the Finance Department, as well as other internal stakeholders, to understand the current financial operations of the Village and develop implementable recommendations as part of a roadmap to enhance the overall governance of the Finance function.

	Recommendations	Impact	Difficulty of Implementation
1.1	Create enhanced centralized financial management function with new Chief Finance Officer role	High	Difficult
1.2	Establish policies to govern the Village’s core financial management functions	High	Moderate
1.3	Adopt all policies, including those of the Finance Department, through the Village Commission resolution process	Medium	Low
1.4	Optimize the use of Tyler system to support financial management functions	High	Moderate
1.5	Restructure procurement process to reduce to improve controls on Village purchases	High	Difficult
1.6	Identify an appropriately trained procurement staff person to manage the Village’s purchasing processes	High	Moderate
1.7	Enhance use of ADP to reduce the number of manual payroll processes	High	Low
1.8	Increase cash management practices to provide additional security for Village funds	Medium	Low
1.9	Expand the annual budget process to drive collaboration and increased analysis of requests	Medium	Moderate
1.10	Separate tax levy issued for debt service from the General Fund	Medium	Low
1.11	Consider opportunities to outsource Finance functions	Medium	Difficult

Benchmark Municipalities

A&M identified eight peer municipalities for North Bay Village with similar population, budget, socioeconomic, and geographic factors. These peer municipalities are used throughout the report to benchmark key financial policies and procedures. Peer municipalities are arranged based on the size of the General Fund budget.

	Benchmark Municipality	Population	Median Household Income	Total Budget	General Fund Budget	Full Time Employees	Full Time Finance Staff
	North Bay Village	8,973	\$55,308	\$19.8M	\$ 8.7M	88	4
	Benchmark Municipality Averages	8,500	\$75,693	\$33.4M	\$18.9M	116	4.6
1	Bay Harbor Islands	5,826	\$67,092	\$23.3M	\$ 9.4M	67	3
2	Bal Harbour	2,924	\$70,641	\$27.0M	\$ 16.0M	79	5
3	Miami Shores	10,761	\$117,188	\$26.5M	\$ 16.3M	205	6
4	Longboat Key *	6,934	\$102,348	\$37.4M	\$ 16.5M	117	6
5	South Miami	12,645	\$62,305	\$26.4M	\$ 19.2M	137	5
6	Miami Springs	14,217	\$58,605	\$23.7M	\$ 20.5M	128	6
7	Surfside	5,814	\$73,241	\$44.2M	\$ 26.2M	103	4
8	Marathon	8,877	\$54,196	\$58.4M **	\$ 27.5M	97	2

* Longboat Key's nearest metro area is Sarasota. For the rest of the municipalities the nearest metro area is Miami.

** Marathon's budget excludes the \$31.9 million Stormwater and Wastewater Funds.

Sources: 2017 Census population estimates, FY2019 Adopted Budgets, 2017 CAFRs

1.1 – Finance Department Leadership

The Village’s Finance Department is currently run by a Finance Director. **A&M recommends that the Village create an enhanced centralized financial management function with a new Chief Finance Officer “CFO” role. The CFO role should be responsible not only for leading the Village’s financial management processes and procedures, but also for implementing a future-focused strategy for the Finance function.**

Chief Financial Officer

Finance	Procurement	Payroll	Grants	IT	Front Desk	Treasury Management
<i>Currently managed by Finance Director</i>	<i>Currently managed by Human Resources Coordinator</i>	<i>Currently managed by Finance Director</i>	<i>Currently managed by Village Manager</i>	<i>Currently managed by Finance Director</i>	<i>Currently managed by Village Manager</i>	<i>Not actively managed</i>

Aligning these seven core functions under the leadership of the CFO ensures that there is **appropriate coordination, integration of technology, and strategic oversight of the Village’s assets.**

1.2 – Financial Policies

Financial policies provide the overall governance for a municipality’s financial management and operations. The Charter and Code of Ordinances provide limited direction on financial policies. **The Village does not have separately documented financial policies.** Based on best practices from the Government Finance Officer’s Association (GFOA), A&M has identified ten financial policies the Village should have for effective financial management.

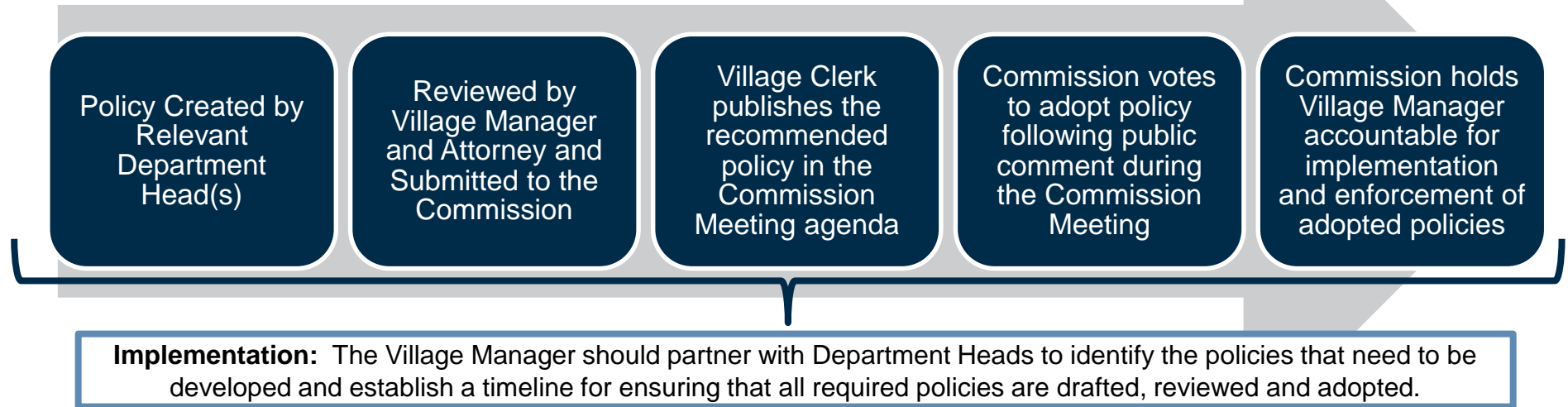
Scale: ○ (No policy present) to ● (Policy in line with best practices)

#	Policy	North Bay Village Policy Status	Current State	Best Practice Example
1	Fund Balance/Reserve	●	Village Charter Section 35.22 – Creation of Fund Balance/Retained Earning Reserve	<u>GFOA General Fund Reserve Policy Best Practice Example</u>
2	Utility Billing	●	Code of Ordinances Title V: Public Works, Chapter 50 – General Provisions	<u>Bay Harbor Islands, FL Code of Ordinances</u> : Chapter 20 - Utilities
3	Budget & Capital Planning	●	Village Charter – Section 7.03 – Preparation and submission of the budget	<u>Surfside, FL Code of Ordinances</u> : Article IV – Annual Budget and Tax Levy <u>GFOA Recommended Budget Practices</u>
4	Procurement & Purchasing	●	Village Charter – Section 36.26 – Procurement requirements	<u>Longboat Key, FL Code of Ordinances</u> : Chapter 38 – Purchasing Procedures
5	Debt Issuance & Management	●	Village Charter Article VIII – Borrowing for Municipal Projects (governed by State law)	<u>Surfside, FL Code of Ordinances</u> : Article V – Borrowing for Municipal Projects (including Article Va)
6	Financial Management Policy	●	Village Charter Section 35.21 – Amendments to budget	<u>GFOA Budget Monitoring Best Practice</u>
7	Credit Card Usage	○	No existing documentation	<u>GFOA Purchasing Card Program Best Practices</u>
8	Cash Management	○	No existing documentation	<u>GFOA Revenue Control Policy Best Practice Example</u>
9	Payroll/Timekeeping	○	No existing documentation	<u>ADP Employee Handbook Best Practices</u>
10	Treasury Management	○	No existing documentation	<u>GFOA Investment Policy Best Practice Example</u>

1.3 – Policy Adoption Process

North Bay Village currently relies on the Village Charter and Code of Ordinances to inform key government functions and does not have separately documented financial policies. Village policies should be developed collaboratively with the Village’s leadership and stakeholders and analyzed carefully for any potential unintended consequences. **Policies adopted by the Village Commission should be reviewed annually to ensure that they are having the intended impact and adopted along with the budget.**

Recommended Policy Adoption Process

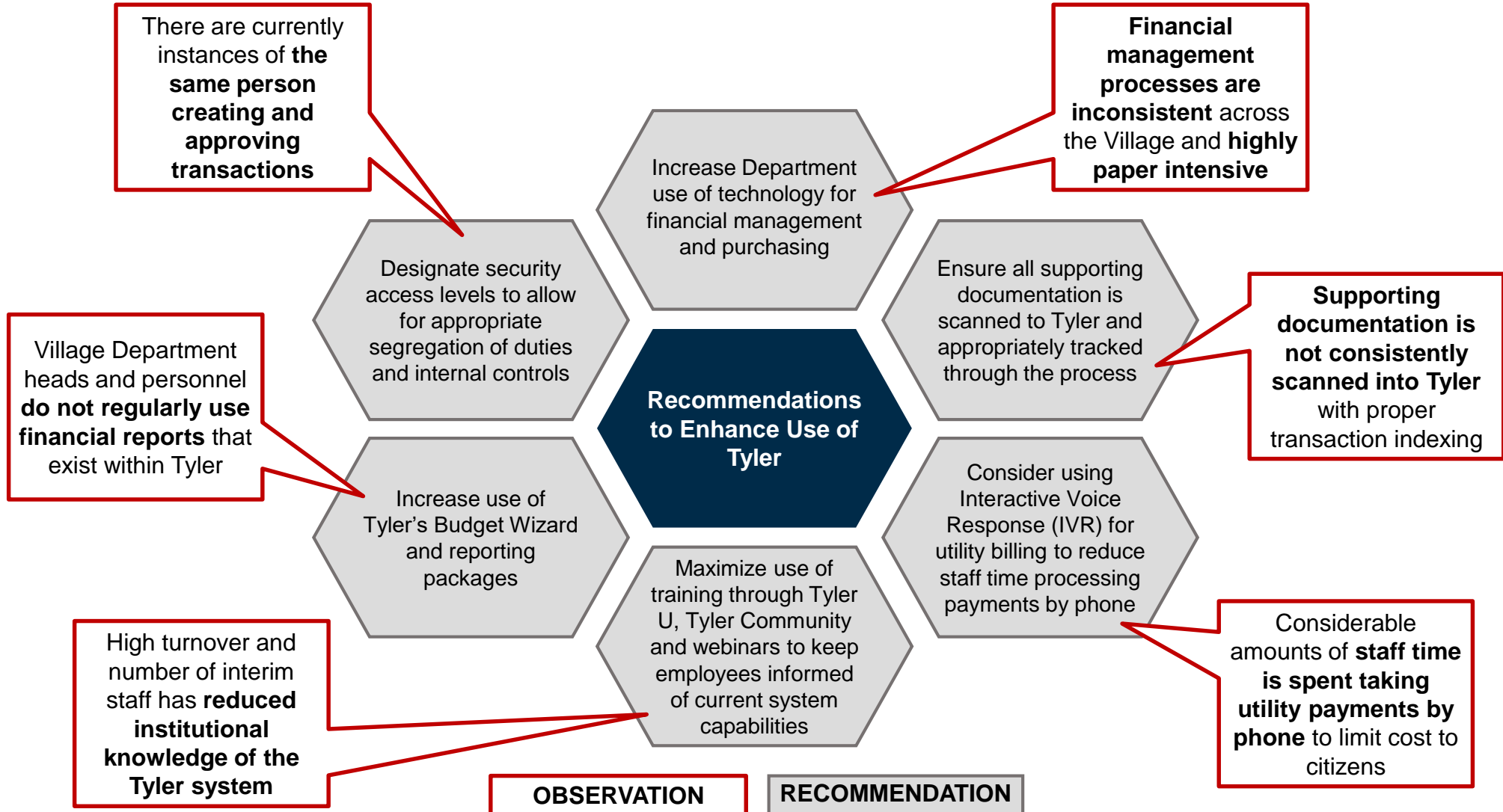


Benefits of Adopting Policies Separate from the Village Charter

- ✓ Documents governance of the key processes of the Village
- ✓ Engages the Village’s governing body to ensure the policies are in the long-term best interest of the community
- ✓ Allows for additional flexibility in the event the Village circumstances change and the policy needs to be amended
- ✓ Provides clear guidance to staff on how business should be carried out day-to-day
- ✓ [Follows GFOA Guidance on adopting financial policies](#)

1.4 – Optimizing Use of Technology in Financial Processes

Tyler-Munis Technologies (“Tyler”) is the Village’s central financial management system for key functions including budgeting, reporting, procurement, and utility billing. **Enhancing the use of Tyler will help to streamline the Village’s financial management processes.**

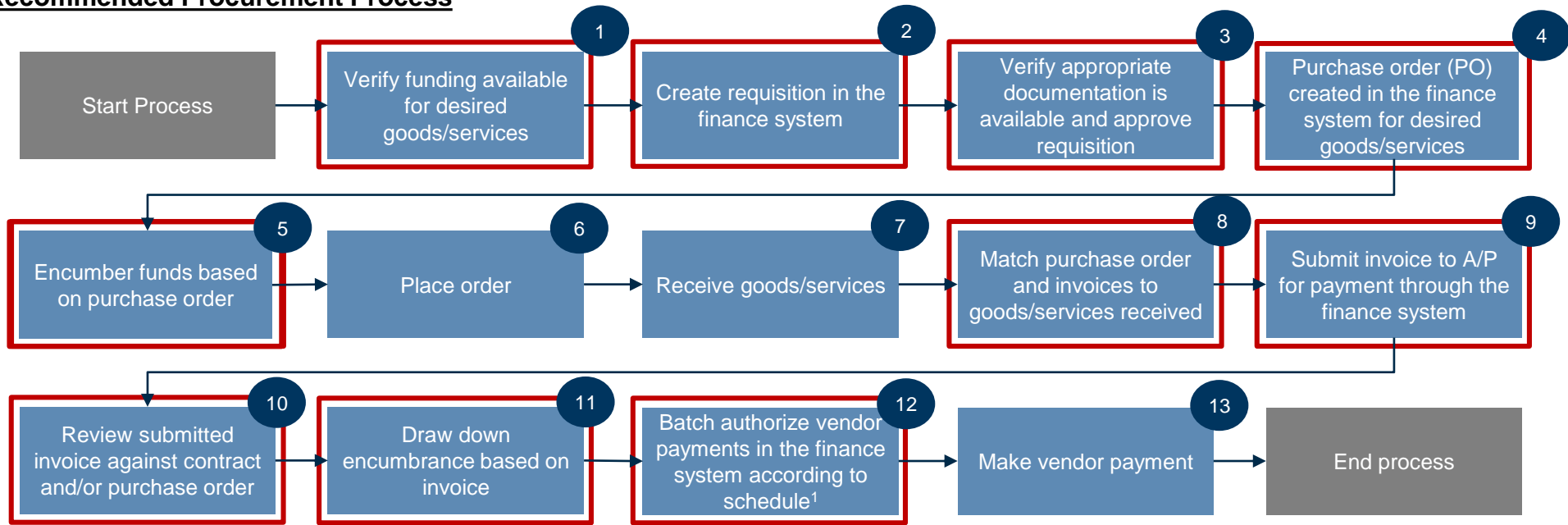


See **Appendix K** for additional information on opportunities to increase use of technology in financial management.

1.5 – Procurement Process Review

A&M reviewed a sample of invoices to better understand North Bay Village’s procurement process. Based on that review, **A&M documented key opportunities to improve accuracy and transparency in the process, as well as enhance internal controls and compliance with the existing purchasing policy.**

Recommended Procurement Process



Not a consistent practice of the Village

¹ Vendor payments should be authorized on a regular schedule. For a municipality like the Village, weekly should be sufficient.

1.6 – Centralized Procurement Position

The Human Resources (“HR”) Coordinator also holds the position of Procurement Coordinator but has limited involvement in purchasing processes. Given the volume of purchasing activity, **the Village should establish a Procurement Manager role.** The Village should ensure that the person occupying this centralized procurement position is **appropriately trained in procurement best practices and proper use of Tyler to support the purchasing process.**

Benefits of a Centralized Procurement Function

Cost Savings

- Promotes full and open competition and establishes master service agreements which will help the Village obtain the best value
- Focuses on vendor management to identify strategic purchasing partners, consolidating the total number of vendors to achieve favorable pricing
- Monitors spend leakage from non-compliant purchases

Increased Efficiency

- Allows Department Heads and employees to have more time to devote to their core functions
- Supports compliance with procurement policies, reducing reliance on paper invoices and manual entries
- Allows for collaborative purchasing across Village departments

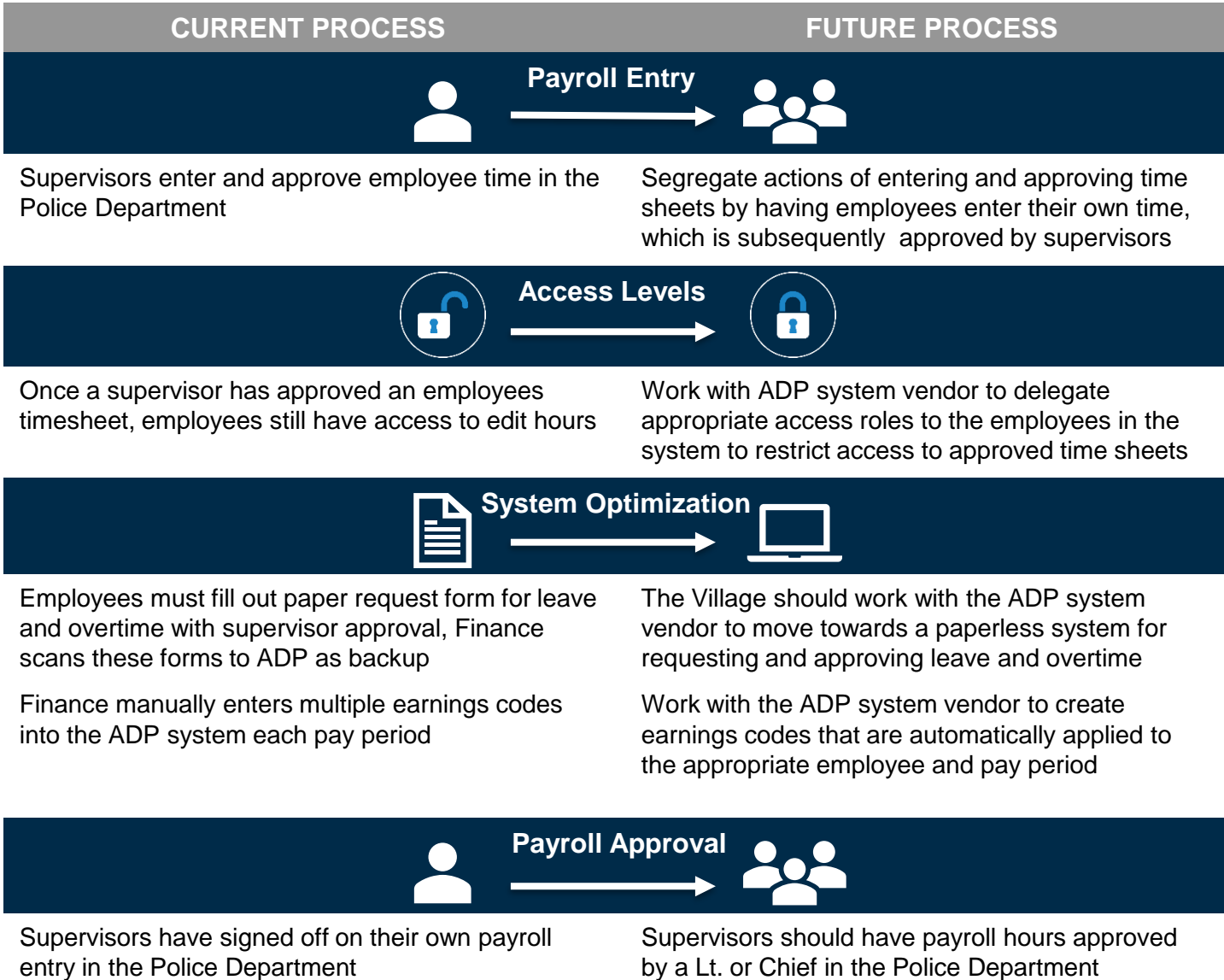
Public Trust

- Requires training and certification that promotes professionalism in public sector procurement
- Develops standardization and oversight of purchasing procedures and documentation
- Maintains integrity and completeness of information

Benchmark Cities with a Centralized Procurement Function

- Often have more than one role versus a sole procurement officer
 - *Ex: City of Miami Springs Procurement Officer is also responsible for Grants and Public Information*
 - *Ex: Town of Miami Lakes Procurement Officer is also responsible for Grants and I.T.*
- Procurement Officer reports to the Deputy Assistant Manager or City Manager
 - *Ex: Town of Longboat Key’s Purchasing Manager reports to the Town Manager*
 - *Ex: City of Miami Springs Procurement Officer reports to the Assistant City Manager*

1.7 – Payroll Processes

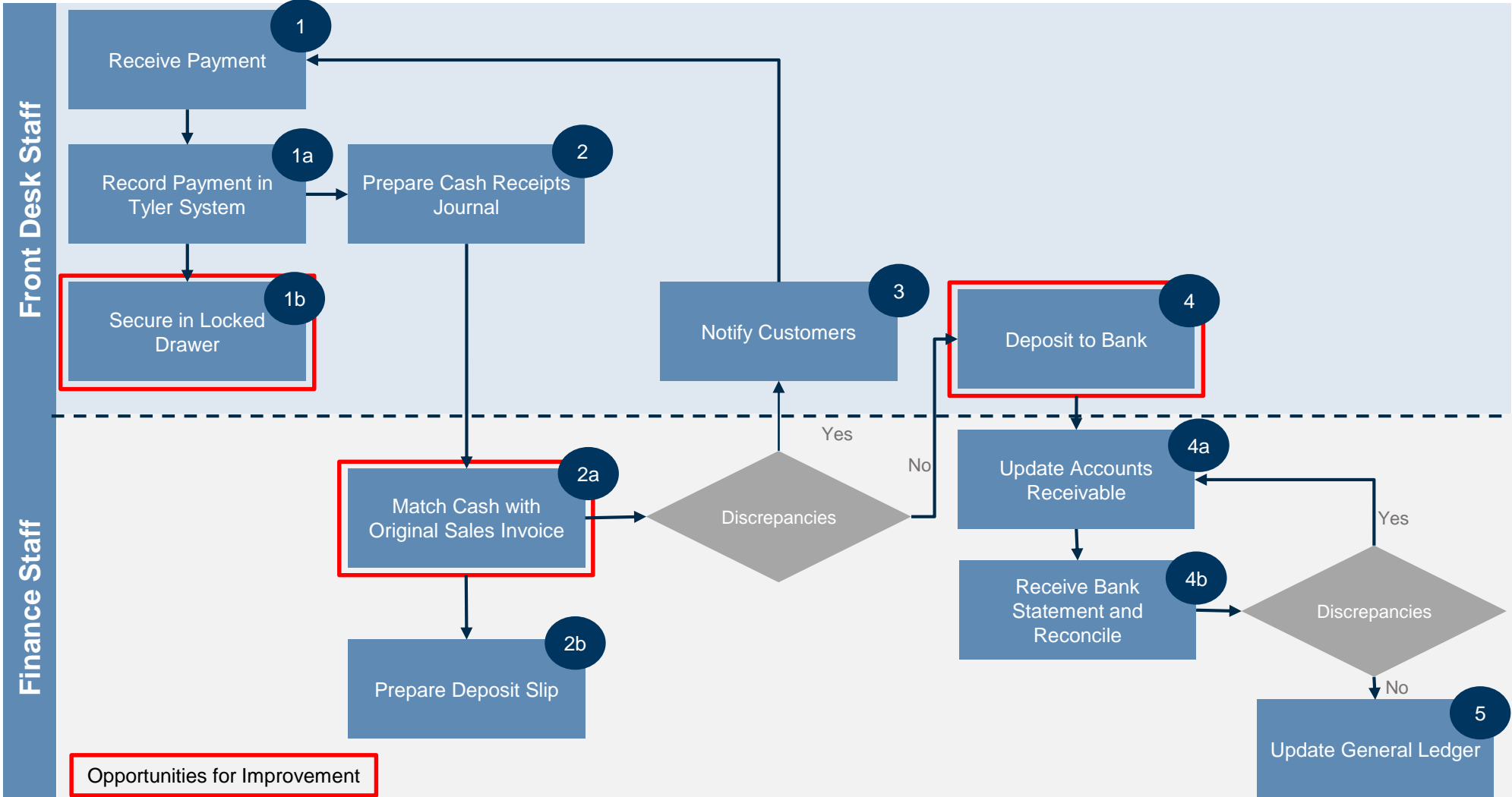


Value of Improved Payroll Processes

- Incorporates best practices of segregation of duties and internal controls
- Ensures that there is oversight and review to identify errors
- Removes the need to retain excess paper documents and reduces time spent tracking down appropriate documentation
- By automating these payroll processes, the accountant currently in charge of payroll will go from spending 60-70% of her time on payroll to approximately 30% of her time on payroll

1.8 – Cash Management Process

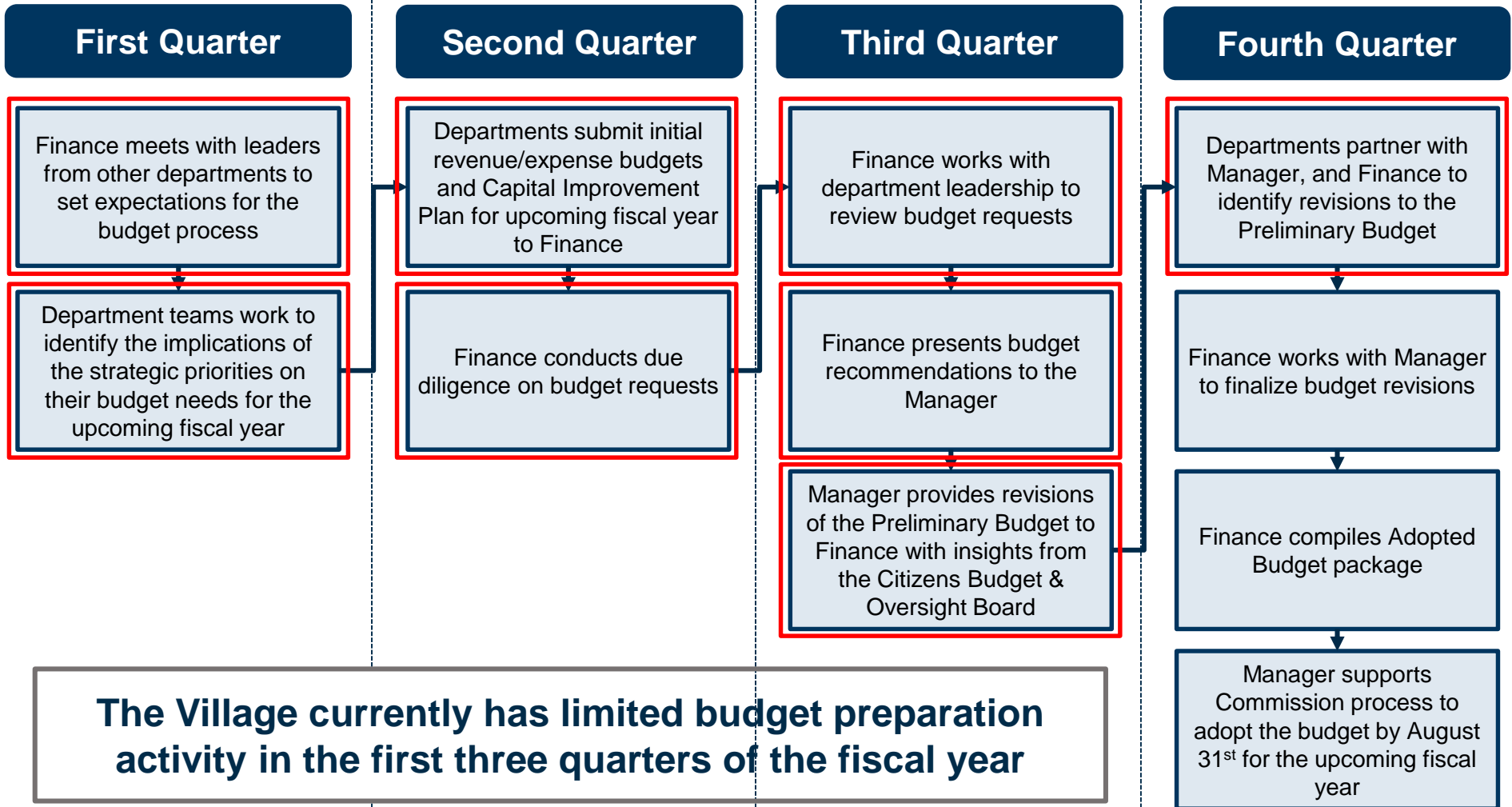
The Village Hall houses operations for processing licenses, permits, fees and charges for services, as well as the US Postal Service. Most staff at the Front Desk perform functions to support both the Village and US Postal Service operations, regardless of official position title. Much of the management of physical cash happens at the Village Hall Front Desk. **A&M has identified a recommended process to enhance oversight and controls in cash management.**



See **Appendix O** for additional information opportunities to improve cash management.

1.9 – Annual Budget Process

Currently, the Village does not have a well-documented and consistent budgeting process. **A&M recommends that the Village adopts a comprehensive budget policy**, with a structure that holds departments accountable for performing within budgetary constraints. The Village should also **consider the benefits of building a zero-base budget to thoroughly evaluate budget inputs annually**.



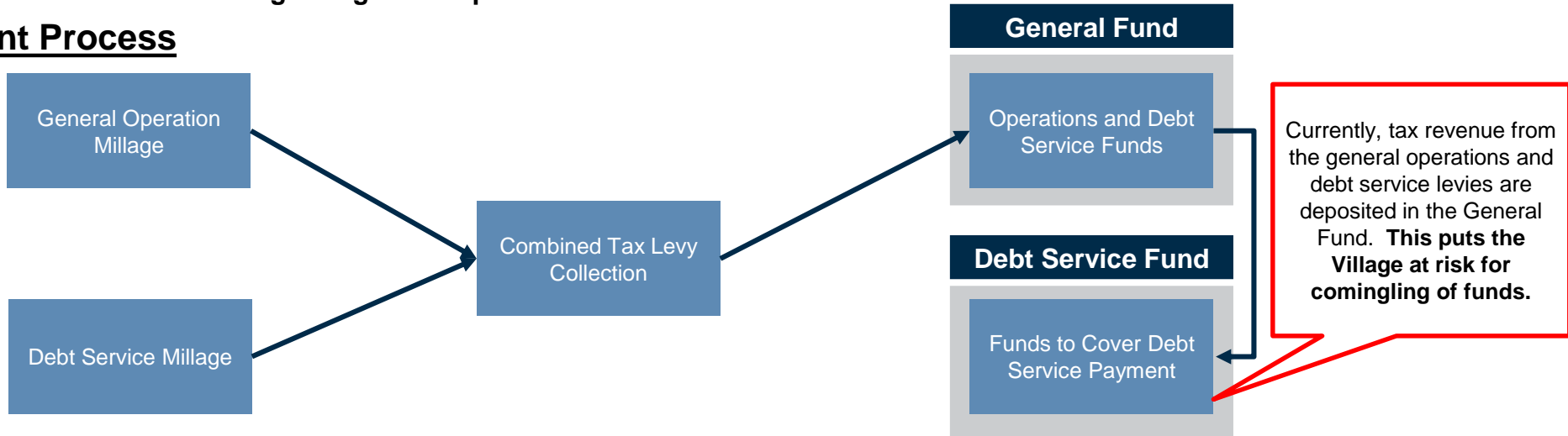
Opportunities for Improvement

See **Appendix P** for additional information on stakeholder responsibilities in the budget process.

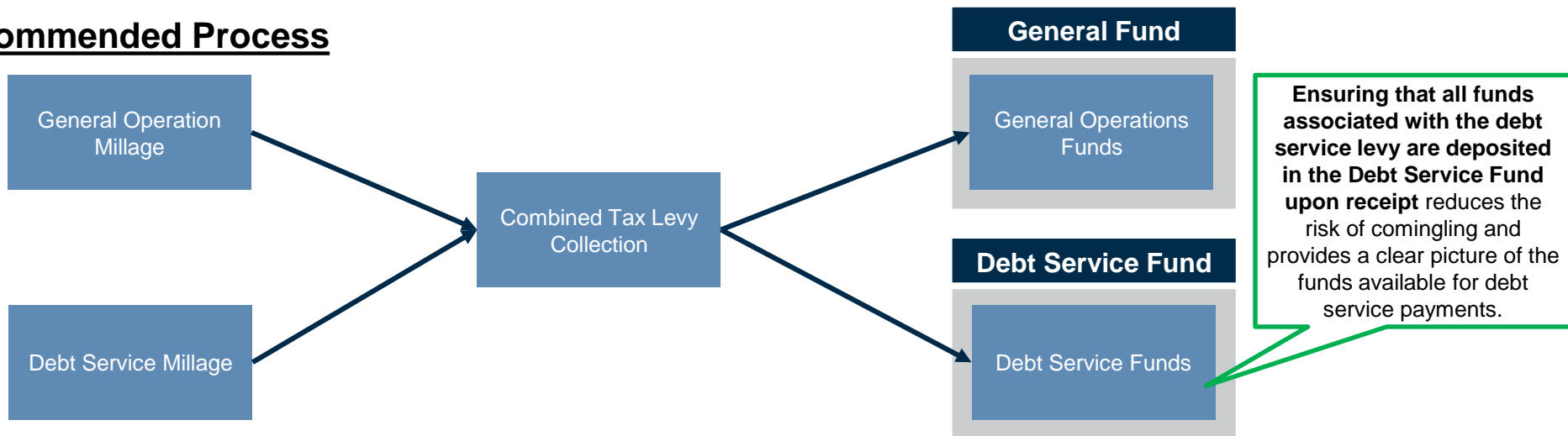
1.10 – Debt Service Accounting

In addition to a tax millage for general operations, North Bay Village has a dedicated millage for debt service of outstanding bonds. The Village currently has three series of general obligation bonds outstanding. **Tax revenue from the debt service levy is put in the General Fund with millage for general operations.**

Current Process



Recommended Process



See **Appendix Q** for additional information on the debt service levy and improving the accounting process.

1.11 – Outsourcing Options

A growing number of municipalities are considering outsourcing as a means of enhancing financial management. In most places with outsourced finance functions, there is still a Finance leader employed by the municipality. A&M's analysis of potential outsourcing costs indicate that **savings associated with outsourcing would likely be minimal relative to the fully-burdened personnel costs for the finance staff. After streamlining the Finance function, the Village should conduct a full cost-benefit analysis, with actual bids from potential contractors**, to understand both the tangible and intangible benefits and considerations.

Outsourcing Benefits

- ✓ Provide strong understanding of governmental accounting
- ✓ Minimize risk of hiring additional full time personnel with highly specialized skillset
- ✓ Increased flexibility in staffing with the ability to scale function up or down based on demand
- ✓ Shifting burden of labor intensive processes to increase staff productivity
- ✓ Partner with existing outsourced functions to increase for effective usage by all employees

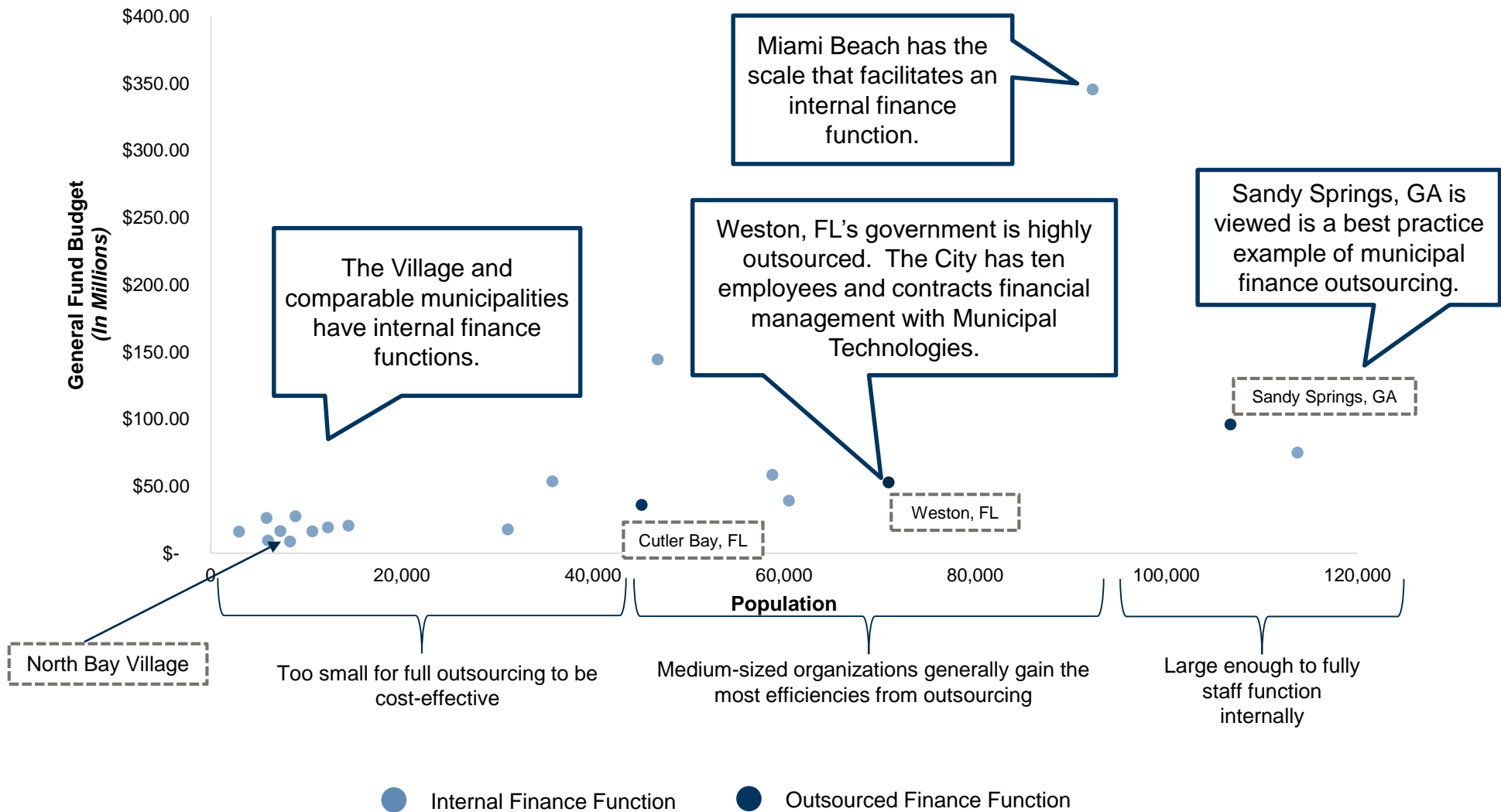
The Village should also evaluate opportunities to **engage in shared services arrangements with the Finance departments of neighboring municipalities** to support some of the administrative finance functions.

Outsourcing Considerations

- Does the Village have the scale to make outsourcing of the Finance function cost effective?
- How is the Department Leadership structured with the outsourcing arrangement?
- What is the required level of service and expected performance from the contractor?
- How can use of currently outsourced functions be enhanced to increase productivity (e.g. Payroll and/or Utility Billing)?
- What internal work needs to be done to prepare the organization for the transition to outsourcing?

1.11 – Outsourcing Effectiveness

Given the Village's size, full outsourcing on the Finance function will likely not be cost-effective relative to the current salary expense. **The Village should take advantage of opportunities to improve utilization of currently outsourced functions, including ADP for payroll and Tyler for financial management, to drive efficiencies and increase employee productivity.**





- I. Executive Summary
- II. Task 1 – Financial Operational Assessment
- III. Task 2 – Human Resources Assessment
- IV. Task 3 – Village Management Advisory Support (and Assessment of Other Departments)
- V. Appendix

Three-Week Project Scope:

- Review of existing Village policies and procedures and controls to evaluate the alignment of resource management practices with best practices in personnel management
- Review the current organizational structure, compare to benchmarks, as appropriate, and make recommendations for improvement
- Review internal training and development requirements and opportunities and recommend potential improvements to attract and maintain quality, and well-trained staff
- Review processes related to creation and utilization of job descriptions as well as performance evaluation process, and compare to best practices, as appropriate and make recommendations for improvement

Assessment Approach:

- Interviewed Key HR and Related Personnel
 - Human Resource Coordinator
 - Interim Village Manager
- Reviewed a Variety of Data Sources:
 - Village Charter and existing HR policies
 - Employee job descriptions for various village positions
 - Employee handbooks
 - Organizational structures of benchmark municipalities
 - Salary and benefit information for the Village and benchmark municipalities
 - Current training and development requirements
 - Performance evaluation documentation
 - Various personnel reports

Context:

- North Bay Village ('the Village') currently employs 88 employees, of which 78 are full-time positions.
- Of the 88 positions within the Village, 64 are funded by the General Fund, 13 by Special Revenue Funds, and 11 by Enterprise Funds.
- The Village has a Human Resources Coordinator who is responsible for processing employee paperwork, maintaining job descriptions, supporting the hiring process, and maintaining personnel records, in addition to planning the Village's special events.

Approach:

- During the three-week human resource operational assessment, A&M identified recommendations for the Village's HR policies and procedures. In addition, A&M developed an implementation plan to improve the HR function in the Village.
- The A&M team met with the HR coordinator, village employees, and other internal stakeholders to understand the current HR policies and procedures of the Village to develop implementable recommendations.

#	Recommendations	Impact	Difficulty of Implementation
2.1	Create an HR Director position to lead the department in line with the Village's organizational strategy and priorities	High	High
2.2	Clarify reporting lines and chain of command across Village employees	High	Low
2.3	Establish required training and process for identifying employee and department-specific trainings	High	Moderate
2.4	Follow a consistent procedure for recruiting employees and track applicants through each stage of the process	Medium	Low
2.5	Review job descriptions annually to ensure employees are completing required tasks and key functions are appropriately assigned	High	Low
2.6	Expand the current performance evaluation process to include goal setting and a mid-year review	High	Moderate
2.7	Manage benefits administration to ensure costs are reasonable and that negotiated broker rates are competitive	Medium	Moderate

Benchmark Municipalities

A&M identified eight peer municipalities comparable to North Bay Village in population, budget, socioeconomic, and personnel metrics. These peer municipalities are used throughout the report to benchmark key personnel-related metrics. Benchmark municipalities are arranged based on the size of the General Fund budget.

	Benchmark Municipality	Population	Median Household Income	Total Budget	General Fund Budget	Full Time Employees	Full Time HR Staff	HR Title
	North Bay Village	8,973	\$55,308	\$19.8M	\$ 8.7M	88	1	HR Coordinator
	Benchmark Municipality Averages	8,500	\$75,693	\$33.4M	\$18.9M	116	1.1	
1	Bay Harbor Islands	5,826	\$67,092	\$23.3M	\$ 9.4M	67	1	Director of Human Resources
2	Bal Harbour	2,924	\$70,641	\$27.0M	\$ 16.0M	79	0.5	Assistant Village Manager/Human Resource Director
3	Miami Shores	10,761	\$117,188	\$26.5M	\$ 16.3M	205	0	Human Resources/Risk Coordinator
4	Longboat Key *	6,934	\$102,348	\$37.4M	\$ 16.5M	117	2	Human Resources Manager
5	South Miami	12,645	\$62,305	\$26.4M	\$ 19.2M	137	2	Personnel Manager
6	Miami Springs	14,217	\$58,605	\$23.7M	\$ 20.5M	128	2	Human Resources Director/Risk Manager
7	Surfside	5,814	\$73,241	\$44.2M	\$ 26.2M	103	1	Human Resources Director
8	Marathon	8,877	\$54,196	\$58.4M **	\$ 27.5M	97	0.5	Deputy City Manager/Human Resource Director

* Longboat Key's nearest metro area is Sarasota. For the rest of the municipalities the nearest metro area is Miami.

** Marathon's budget excludes the \$31.9 million Stormwater and Wastewater Funds.

Sources: 2017 Census population estimates, FY2019 Adopted Budgets, 2017 CAFRs

2.1 – Human Resources Function & Leadership

The HR Coordinator role is supposed to split time between HR and procurement functions. In practice, the majority of the HR Coordinator's time is spent planning special events for the Village. **A&M recommends the Village re-instate the HR Director Role**, with a HR Clerk providing administrative support. **The HR function should be focused on the ten key areas outlined below, supported by the overall organizational strategy and priorities of the Village.**

Scale: ○ (No function present) to ● (Function in line with best practices)

HR Function	North Bay Village Function Status	Opportunities to Improve
Policies	●	The HR Director should lead the development and dissemination of HR policies, as well as the annual policy review process.
Recruitment & Hiring	●	The HR Department should actively coordinate and track the process to recruit and hire new employees.
Employee Relations	●	HR should serve as a resource for employees to confidentially express concerns, while working with Village leadership to appropriately address any issues.
Personnel File Management	●	There should be clear processes for safeguarding sensitive employee information according to records management best practices.
Position Control	●	HR should work with the Village Manager to ensure reporting relationships are accurately documented and shared with employees.
Salary Administration	●	HR should actively manage the register of all employee compensation, as well as the impact of any salary changes.
Benefits	○	The HR Director should serve as the primary Benefits Administrator for the Village.
Payroll Administration	○	The Village should explore options to have HR partner with Finance as the Payroll System Administrator.
Performance Evaluation	○	The HR Department should ensure that all supervisors are appropriately equipped to support employee development.
Training	○	The HR Department should develop a consistent process for tracking employee training against annual goals and requirements.

Source: [ADP, Employee Handbooks: "Must-Have" Policies, Policies to Avoid, and More, March 2017](#)

See **Appendices S and T** for additional information on the HR function leadership and recommended policies.

2.2 – Reporting Structure

Span of control is a measure of the ratio of supervisors to front line staff. Based on the size of the Village and the services provided, the span of control, at 1:5, is in line with best practices. There are limited instances of 1:1 direct reports, signaling a reporting structure that is, in theory, relatively efficient¹.

Village Span of Control of

1 : 5

is just below

Best Practice Span of Control of

1 : 6 - 8

There are a number of cases where the documented organizational and reporting structure is **not** consistent with what is experienced by Village employees. Given that the Village Manager maintains position control, **A&M recommends that the Manager ensure that reporting lines are clearly established and understood.** There should also be documented procedures for when a role with reporting responsibilities is vacant.

Actual Reporting Differs from Organizational Chart	Ambiguous Leadership from Village Contractors	Clearly Implemented Chain of Command/Communication
<ul style="list-style-type: none"> • Department level organizational charts should be developed to further support clear reporting lines. • Employees should avoid reporting interaction with managerial employees they do not report to in accordance with the organizational chart. • Organizational charts should be updated within ten business days of a change in the organization’s structure. 	<ul style="list-style-type: none"> • All Village employees should report to managers directly employed by the Village. • In cases where there are contractors serving in leadership roles for a department, the contractors should maintain consistent communication with the employee’s supervisor. • Contractors should provide feedback for performance evaluations of Village staff the interact with. 	<ul style="list-style-type: none"> • All Village employees should be informed of the proper chain of command relative to their job duties. • Requests to Village leadership that do not follow the proper chain of command should be referred to the appropriate employees before action is taken. • Existing chain of command should to reviewed along with job descriptions and employees should be notified of changes.

The Task 3 Chapter provides additional information on the documented versus observed organizational structures by department, as well as department-specific recommendations for improvement.

¹ [Society of Human Resource Management , Determining the Appropriate Span of Control](#)

2.3 – Training and Development

There are currently no required trainings for Village employees. Employees are provided with limited guidance on the training they should pursue, despite departmental budget allocations for training. The majority of employee training is not consistently tracked.

Annual Training for All Employees

- ✓ Village Charter & Code of Ordinances
- ✓ Ethics Compliance
- ✓ IT Security Awareness
- ✓ Occupational Health & Safety
- ✓ Purchasing Practices

Source: [Office of Personnel Management – Federally Mandated Training](#)

Employee-specific Training

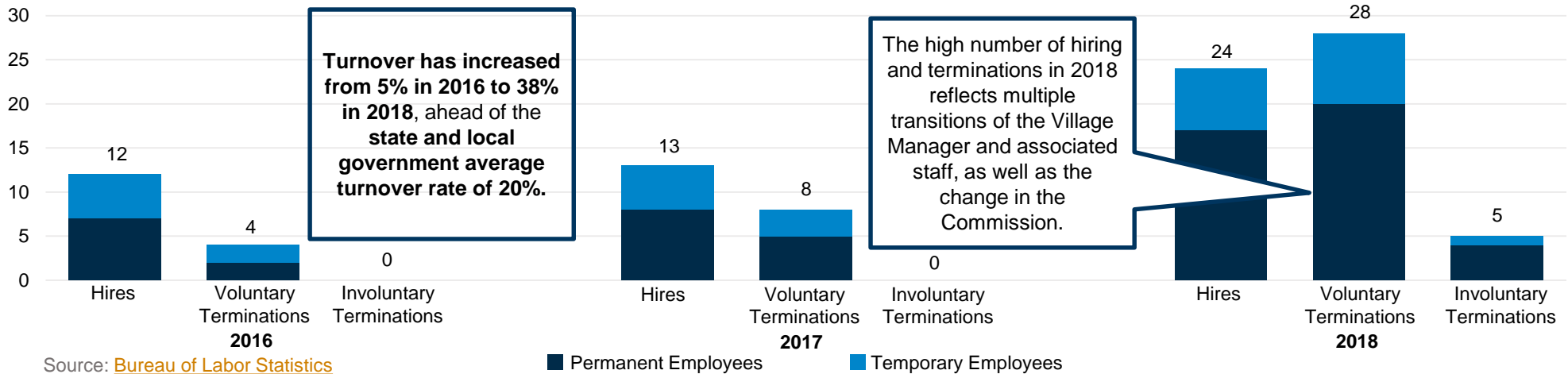
As a part of the Performance Evaluation process, every employee should identify annual training goals. A&M recommends the Village follow the process below to identify the appropriate training to support employee development.



2.4 – Recruitment and Retention

Historically, the Village has experienced low turnover and, as a result, limited hiring actions. **A&M recommends that the Village identify opportunities to add structure and consistent tracking to the recruiting process.**

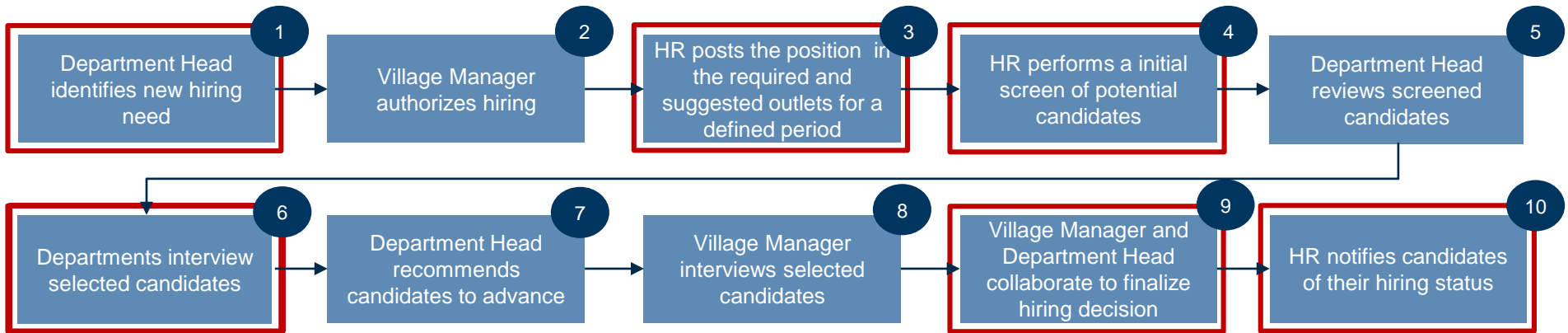
Employee Hires and Terminations



Turnover has increased from 5% in 2016 to 38% in 2018, ahead of the state and local government average turnover rate of 20%.

The high number of hiring and terminations in 2018 reflects multiple transitions of the Village Manager and associated staff, as well as the change in the Commission.

Recommended Recruiting Process Structure



Throughout the process, HR should track the number of candidates who apply, are interviewed, and extended offers.

Opportunities for Improvement

See Appendix V for recruiting process improvements.

2.5 – Job Description Review

There is not a regular cadence for reviewing employee job descriptions. Starting in early March, the current interim Village Manager began a village wide job description review. Preliminary observations indicate that there are significant differences between the documented job descriptions and the duties carried on in the day-to-day work of most employees. A&M recommends that the Village do the following to ensure accurate and transparent job descriptions. **The Village should develop a process to review job descriptions and establish regular cadence and document a clear process for updating job descriptions based on new positions and changes in required duties.**

1 Conduct Job Analysis

The Supervisor and/or Village Manager should interview the employee to find out exactly what tasks are being performed in the current role.

2 Determine Functions

- Are the current tasks of the job function truly necessary or a requirement to perform the job?
- How much time is spent performing the task?
- Can the tasks be re assigned or performed in another manner?
- Can the tasks be reassigned to another employee?

3 Document Information

The results should be documented and reviewed by the employee who is currently in the position—and his or her supervisor—for any changes regarding the knowledge, skills, abilities, physical characteristics, environmental factors and credentials/experience of the position.

The following information should be reviewed and updated annually:

- **Reports to:** title of the position this job reports to
- **Summary/Objective:** summary and overall objectives of the job
- **Essential Functions:** essential functions, including how an individual is to perform them and the frequency with which the tasks are performed
- **Supervisory Responsibilities:** direct reports, if any, and the level of supervision
- **Expected Hours of Work**

2.6 – Performance Evaluation Process

The Village's current performance evaluation process is focused on the employee's year-end evaluation and is primarily used for step and merit increases. There is no formal process for goal setting on mid-cycle evaluations of employee performance. Transitioning to a performance evaluation process that is more holistic will give employees better insight into ways they can improve their performance, and provide the proper documentation to support various personnel actions.

Setting Expectations

Supervisors should have goal setting conversations with their employees in the first quarter of the fiscal year and ensure that all goals and training requirements are documented within three months after the employee's anniversary date.

Evaluation Performance

In the fourth quarter, employees and their supervisors should review their performance against the expectations set at the beginning of the year. Year-end evaluation forms should be submitted by the employee's anniversary date.



Monitoring Performance

Throughout the fiscal year, supervisors should consistently provide feedback to employees, including a formal mid-year review. Mid-year review documentation should be submitted six months after the employees' anniversary date/

Incidences where performance is below expectations should be documented and employees should be placed on a Performance Improvement Plan with clear documentation of the concerns and steps the employee should take to rectify these issues. This will help the Village avoid payouts, settlements, and legal action in terminating employees.

The Village should consider implementing [ADP's Performance Management](#) module to further automate the performance evaluation process and allow to improved tracking of historical employee performance.

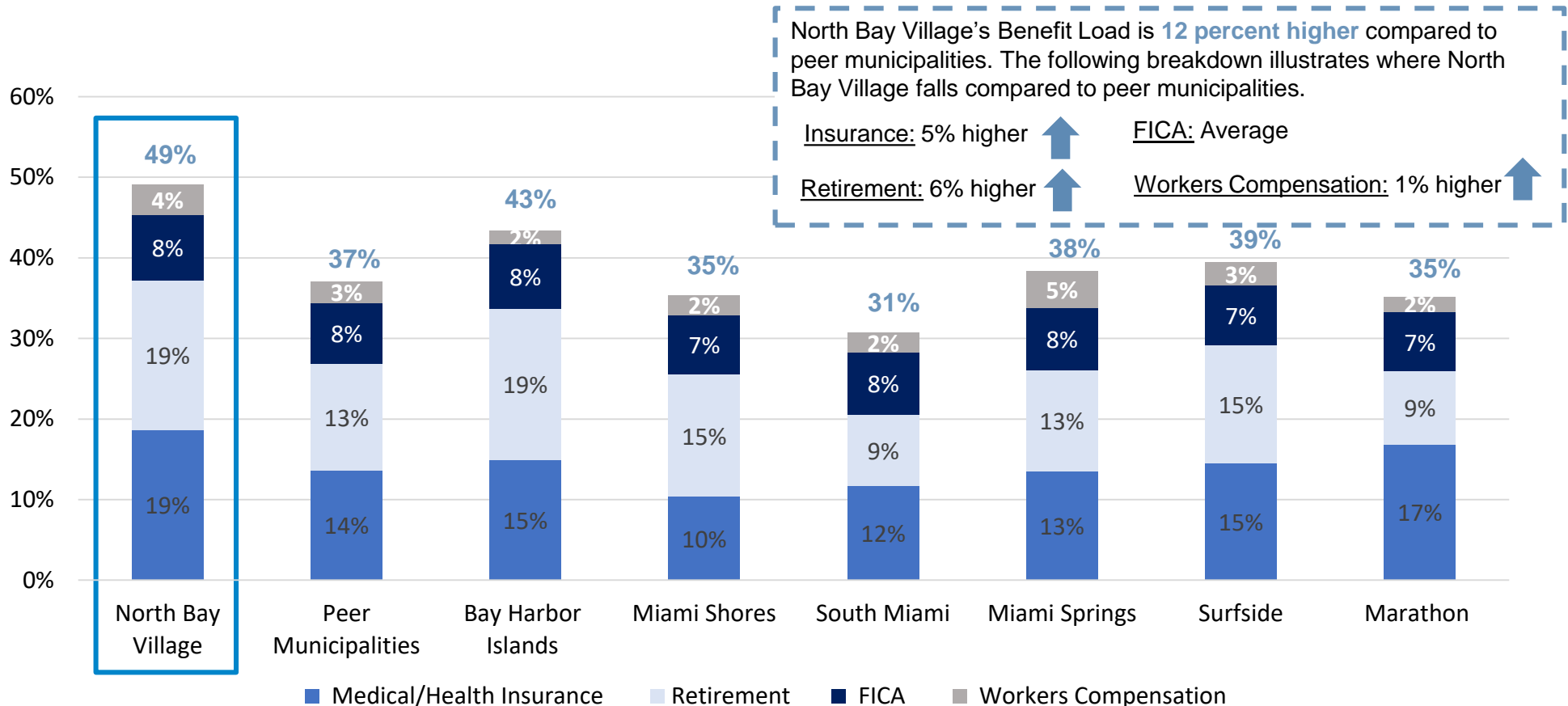
Source: State of Florida Dept of Management Services, Division of Human Resource Management – [Administration of the Performance Management Process](#)

See **Appendix W** for additional information on the performance management process.

2.7 – Employee Benefits

A&M calculated the benefit load for North Bay Village, as well as benchmark municipalities. The benefit load was calculated by adding fringe benefits including, retirement, F.I.C.A., Medical/Health insurance, and workers compensation over the total salary cost for each municipality.

Benefits Load



Recommendation: The Village should take a more active role in monitoring employee s **health/medical insurance** rates and benefits as well as **workers compensation** claims. The Village should also review other benefits including stipends for cell phones, cars, and longevity pay.



- I. Executive Summary
- II. Task 1 – Financial Operational Assessment
- III. Task 2 – Human Resources Assessment
- IV. Task 3 – Village Management Advisory Support (and Assessment of Other Departments)
- V. Appendix

Eight-Week Project Scope:

- Discuss with the Mayor, the Village Commissioners, Interim Village Manager and Department Heads about their current priorities and upcoming challenges and how these topics relate to short- and long-term priorities outside of Task 1 and Task 2.
- Provide advisory recommendations on the delivery of Village services and guidance for Department Heads regarding service delivery based on best practices and benchmarks, as appropriate
- For Departments not captured in Task 1 (Finance) or Task 2 (HR), with priority of review based on size of current year budget and potential opportunity based on preliminary best-practice and benchmark review, provide suggestions for improvement, to include organizational structure, staffing levels, potential training requirements, and aspects of community and economic development that might fall under the normal duties of the City Manager's office, as appropriate and as time allows.
- Assist Mayor and Village Commissioners in the search of permanent Village Manager.

Assessment Approach:

- Interviewed Key Personnel and Consultants:
 - Interim Village Manager
 - Interim Police Chief
 - Acting Public Works Director
 - Interim Village Clerk
 - Finance Director
 - Village Attorney
 - Police Lieutenant
 - Dispatch Manager
 - Code Enforcement Officer
 - Public Works Administrator
 - Fleet Manager
 - Building & Zoning Clerk
 - CAP Building Services
 - LaRue Planning
 - President of Florida Association of City Clerks'
- Reviewed Variety of Data Sources:
 - Village documents including organizational charts, Charter, Codes, and supporting documents
 - Building, Zoning, and Planning Data
 - Police Crime and Staffing Data
 - Building Code Data
 - Fleet Data
 - Public Works Data
 - Parks
 - Minibus
 - Sanitation
 - Utilities
 - Similar data from benchmarking communities

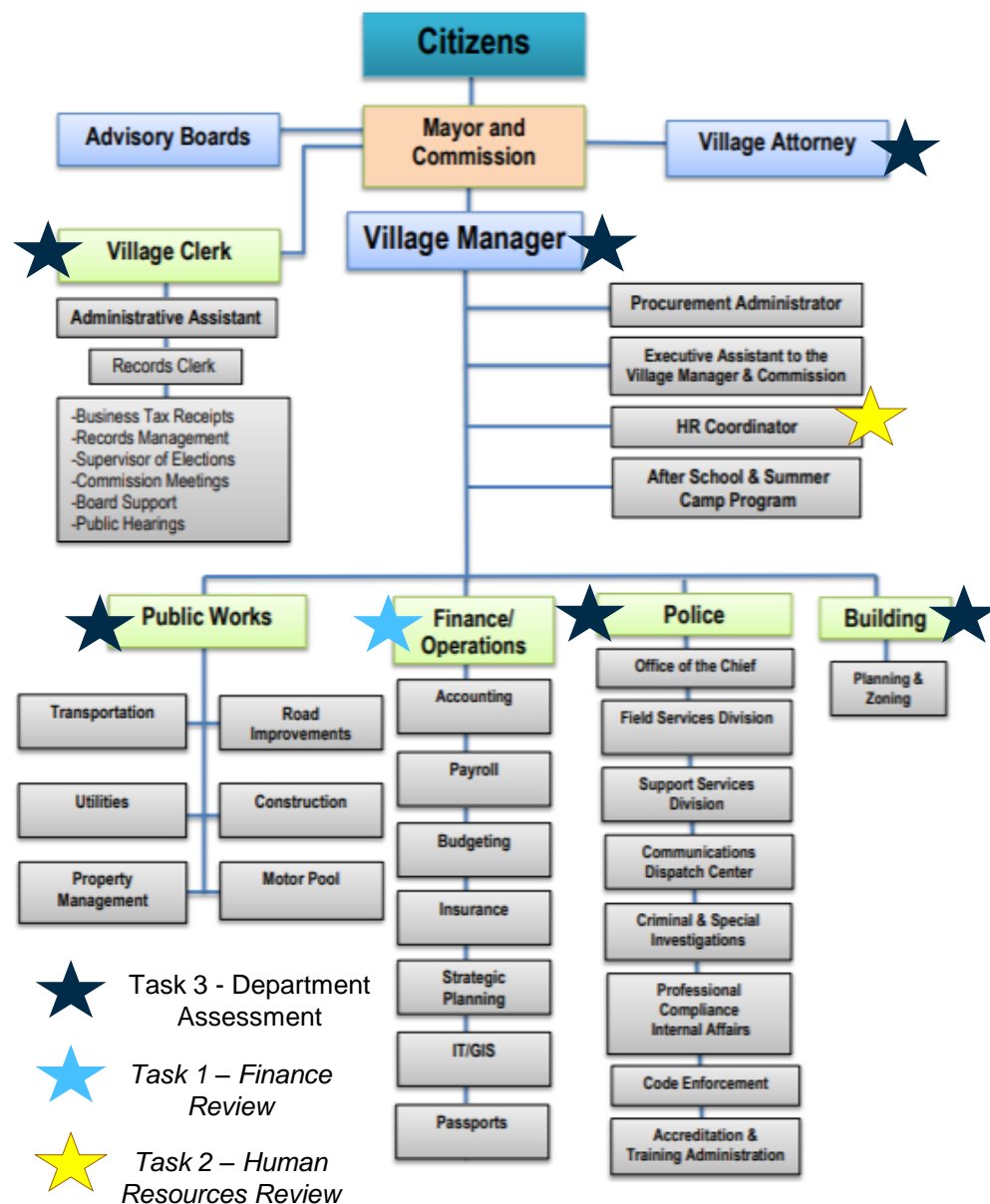
Context and Approach

Context:

- Alvarez & Marsal (“A&M”) assessed Departments other than Finance and Human Resources for North Bay Village (“the Village”). The Department Assessment includes Building, Police, Public Works, and the positions of Village Manager, Clerk and Attorney (“Department Assessment”). The total budget for these Departments was \$15.1 million in FY2018 or 76.2% of the total budget.
- None of the Departments included in the Department Assessment have permanent and/or designated Department Heads other than the newly hired Clerk and Finance Director. The Public Works Department also currently has no budgeted position for Public Works Director.
- The current Village Manager is also serving in an Interim capacity and the Village is currently evaluating RFPs for the Village Attorney position.

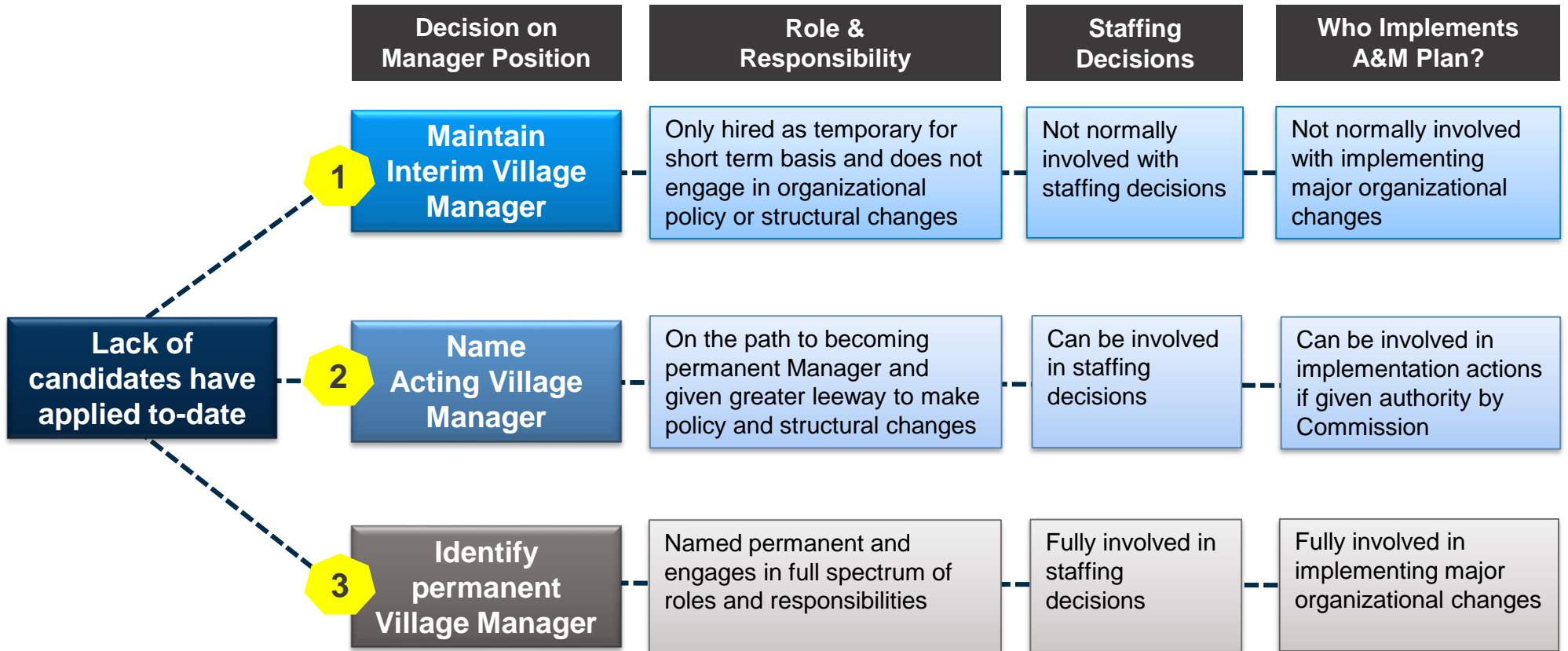
Approach:

- During the eight-week Department Assessment, A&M identified recommendations for the Village’s Departments other than Finance and Human Resources. In addition, A&M developed an implementation plan that position the Village for long-term operational success.
- The A&M team met with staff of the other Departments identified above, as well as other internal stakeholders, to understand the current operations of these other Village Departments and develop implementable recommendations as part of a roadmap to enhance the overall governance of the Village.



- ★ Task 3 - Department Assessment
- ★ Task 1 – Finance Review
- ★ Task 2 – Human Resources Review



Potential Choices and Recommendations







The current Interim Manager was brought on by the Commission to be short term and temporary until a permanent manager was identified. However, to address the critical elements of the A&M Implementation Plan and make needed organizational changes, A&M recommends that the Commission either (a) make the Interim Manager the Acting Manager or (b) make a permanent Manager decision.

Overview of Department Assessment




Building, Police, Public Works, Manager, Clerk and Attorney

<p>Department Head</p>	<ul style="list-style-type: none"> As of 4/5/19, only Finance and the Clerk have permanent/funded Department Head positions while the other Departments have Interim/Acting Heads. While day-to-day work might be getting done, without a Department Head, no one individual is focused on staff management/development, planning for future Department activities or have inputs into the budgeting/procurement processes. 	<p>Indicator</p>
		

<p>Staffing</p>	<ul style="list-style-type: none"> Based on the data and direct observations, it appears most Departments are staffed appropriately for now. In some instances, staff might need to be reallocated within the Department or potentially shared across Departments. In terms of outsourcing, the Public Works Department would appear to offer opportunities in areas such as sanitation and the minibus service. 	<p>Indicator</p>
		

<p>Benchmarking</p>	<ul style="list-style-type: none"> Based on available data from Village Departments and from benchmarking municipalities, Departments do perform mostly within acceptable ranges on a per employee and/or per Department basis. While many benchmarked communities struggle to collect good data, the Village should collect better Key Performance Indicators (KPIs) to analyze performance. 	<p>Indicator</p>
		

A lack of stability at the Village Manager position has led to the perception of organizational mismanagement resulting in many Department Head positions being left undecided or interim leaders not wishing to pursue the permanent position. Detailed Department Assessment Reports are located in **Appendices Y through AD**.

-  No Significant Issue
-  Moderate Issue
-  Significant Issue

Executive Summary of Building Department

With no Department Head and no communication planning between staff and consultants, the Building Department could benefit from identifying a Department Head for better overall management and leadership. 3rd party contracts should be rebid for best pricing. Given observed workloads, benchmarking data, and heavy use of consultants, Department appears to be staffed appropriately for now.

Observations



Department Head



- 3.1 CAP identified as Department Head but does not function as Department Head in terms of staff management/budget/ procurement



Staff



- 3.2 Contracts for CAP and Larue over 5 years old
- 3.3 Roles and Responsibilities of staff are well defined but communication between staff and consultants needs improvement
- 3.4 Staff not participating in annual training



Benchmarking



- 3.5 Some data being collected, but customer service and KPIs are not tracked
- 3.6 Department appears to perform within acceptable range of benchmarking municipalities based on work output per employee

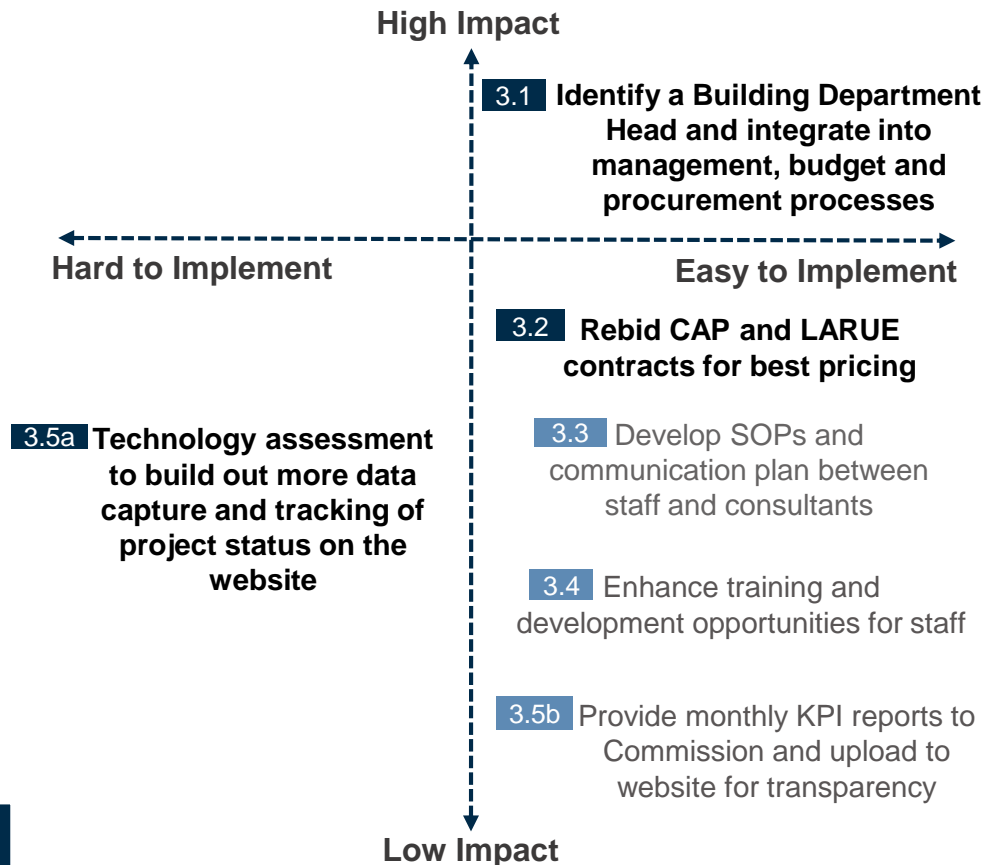


Detailed Building Report Found in Appendix Y

● No Significant Issue ● Moderate Issue ● Significant Issue

Recommendations Matrix

■ Priority Recommendations



Executive Summary of Police Department

The Police Department currently has an Interim Police Chief. Given available data from Department and benchmark municipalities, the Department performs well in areas like Clearance Rates. Data also indicates that the Department likely needs to reallocate staff between Divisions before new hires are considered.

Observations



Department Head

- 3.7 • Interim Police Chief with no timeline to name permanent ●

Staff

- 3.8 • Supervisors are entering and approving officers' timesheets ●
- 3.9 • Many areas still rely on paper-based data entry ●
- 3.10 • Roles and Responsibilities are clear and SOPs are established. ●
- 3.11 • Record maintenance appears to follow appropriate protocols ●
- 3.12 • An informal dispatch review indicated wait time is on average six minutes shorter compared to regional dispatch ●
- 3.13 • Fleet is leased through Enterprise and maintained by Miami Beach. ●

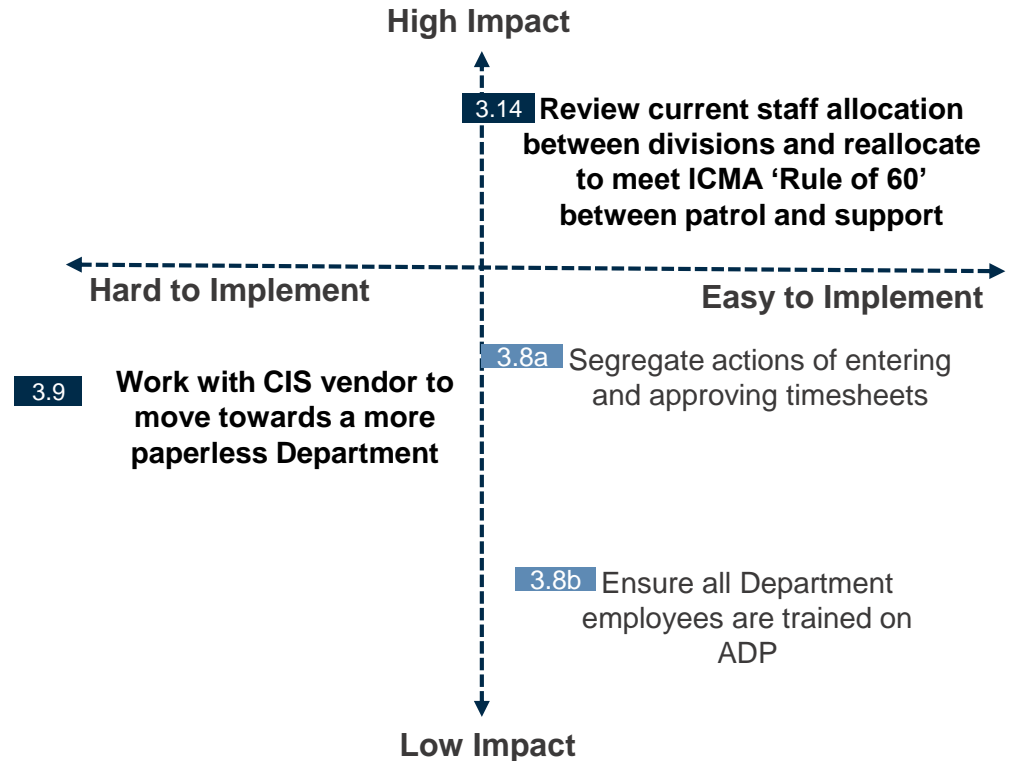
Benchmarking

- 3.14 • Officer staffing per 1,000 inhabitants is 2 officers less than peer municipalities on average. ●
- 3.15 • Officer staffing per 1,000 inhabitants is 0.6 less than the national average for cities of similar size. ●



Recommendations Matrix

■ Priority Recommendations



Detailed Police Report Found in Appendix Z

Code Enforcement is currently located in the Police Department even though most benchmarking communities have the function located within the Building Department. Given available data, the Division performs well in terms of Code action per employee. Data also indicates Division appears to be staffed appropriately for now or perhaps needing some additional administrative support.

Observations



Department Head

3.16 Recent retirement leaves leadership position open



Staff

3.17 Roles and Responsibilities are clear but there are no SOPs



3.18 Regular reports are not being given to the Commission or uploaded to the website



3.19 Village Codes were rewritten over 1.5 years ago with no input from Code Enforcement staff.



3.20 There is no direct telephone line to Code Enforcement



3.21 Adequate training opportunities are not being offered to staff



Benchmarking

3.22 Of 13 peer municipalities reviewed, only 2 maintain Code in the Police Department.



3.23 Department appears to perform near the top of the acceptable range of benchmarking municipalities based on work output per employee

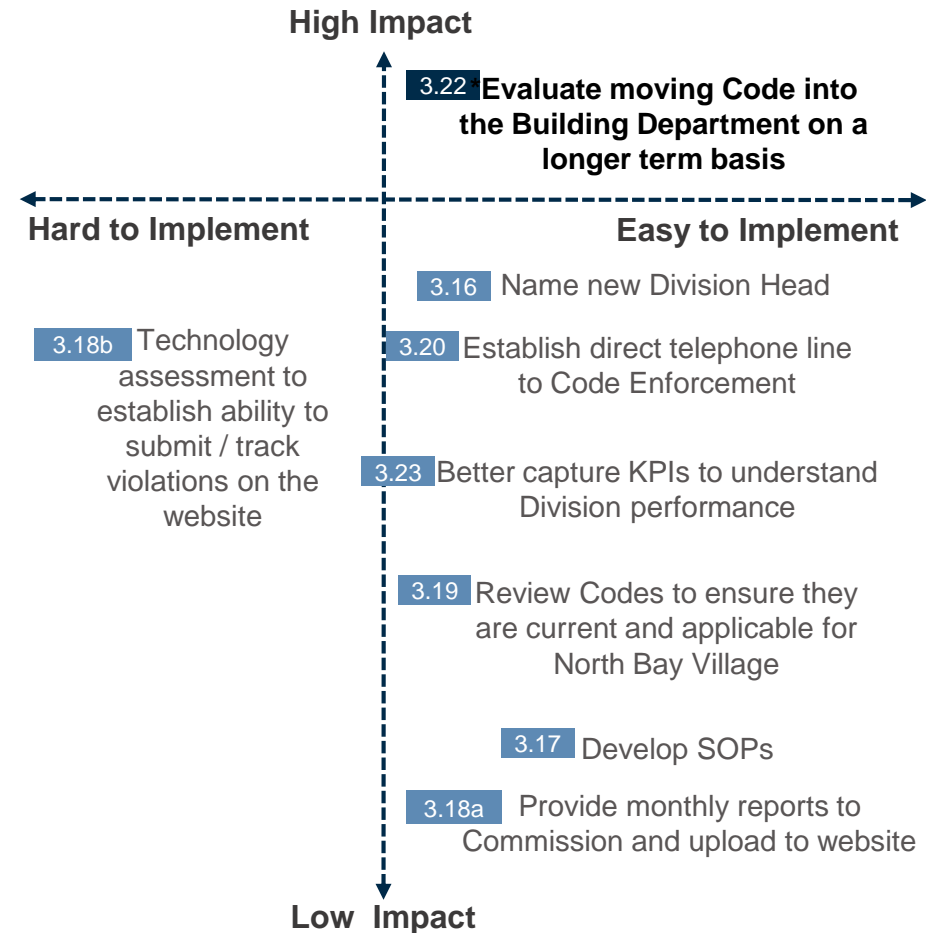


Detailed Code Enforcement Report Found in Appendix Z

● No Significant Issue ● Moderate Issue ● Significant Issue

Recommendations Matrix

■ Priority Recommendations



Executive Summary of Police Dept. – Fleet Management

Fleet Management is currently being conducted on a part-time basis by staff in the Police Department. The fleet is leased through Enterprise and maintained by Miami Beach fleet services. Given the size of the fleet, a full time position is not required but it is recommended that a professionally trained part-time fleet manager is maintained by the Village at all times.

Observations



Department Head

3.24 Fleet Management is currently located in the Police Department and staffed part time



Staff

3.25 Fuel purchase data exists via WEX but relies on manual odometer inputs and the fuel purchase policy is not well defined



3.26 Roles and Responsibilities are clear but no SOPs



3.27 All vehicles are leased from Enterprise and maintained by Miami Beach Fleet Department



3.28 Efforts have been taken to consolidate fleet



3.29 Size of fleet indicates need for professional fleet management and ongoing training



Benchmarking

3.30 KPIs only recently collected and could be improved upon to generate better reporting

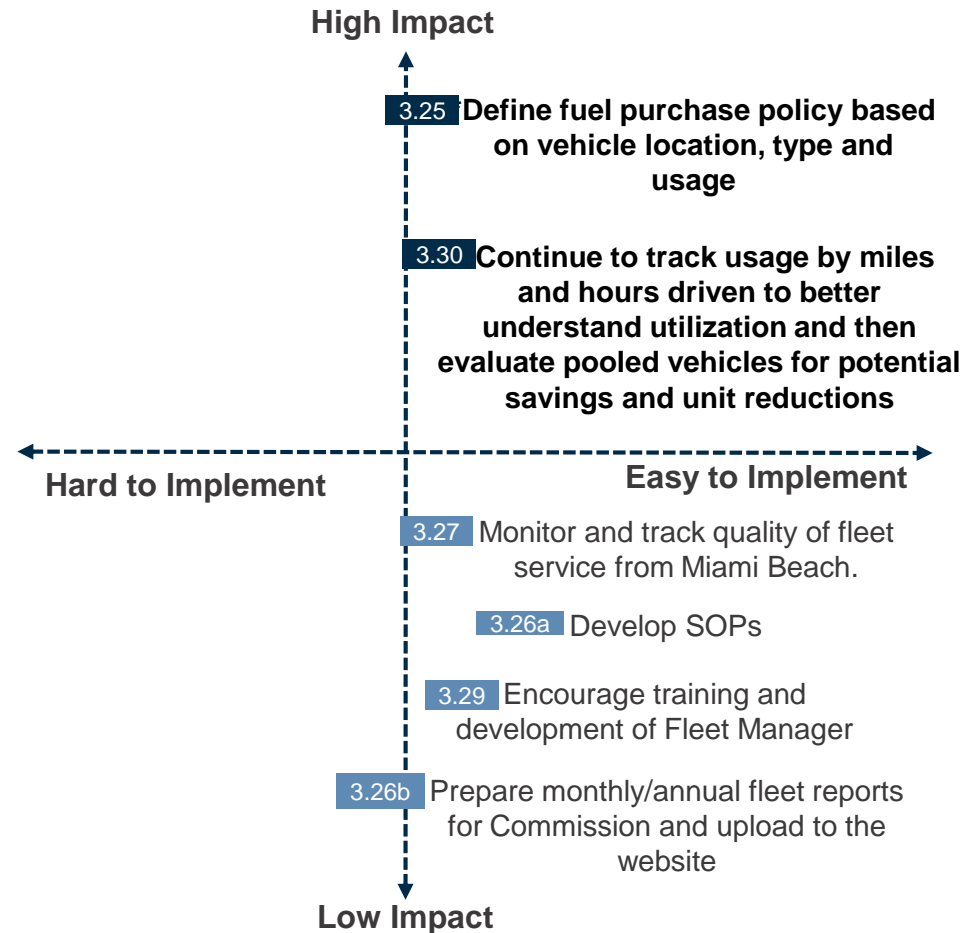


Detailed Fleet Report Found in Appendix Z

● No Significant Issue ● Moderate Issue ● Significant Issue

Recommendations Matrix

■ Priority Recommendations



Executive Summary of Public Works Department

With no budget for a Public Works Director, it is not clear how much the Acting Director is managing the Department including staff management and providing inputs into the budget and procurement processes. KPI data is not readily available so appropriate levels of staffing are difficult to ascertain. Data indicates that sanitation services should be bid out and the minibus service should be evaluated for viability.

Observations



Department Head

3.31 Acting Director not engaged with management/budget or procurement for Department



Staff

3.32 Roles and Responsibilities not well defined
3.33 SOPs and KPIs are not being collected and analyzed



3.34 Minibus ridership is 340 per month/average cost of \$20/ride.



3.35 Utility rates have been constant over last four years but not clear if adequate revenues are being set aside for future projects



3.36 Utility billing not using Tyler System to its full potential



3.37 Department vehicles are maintained by Miami Beach



Benchmarking

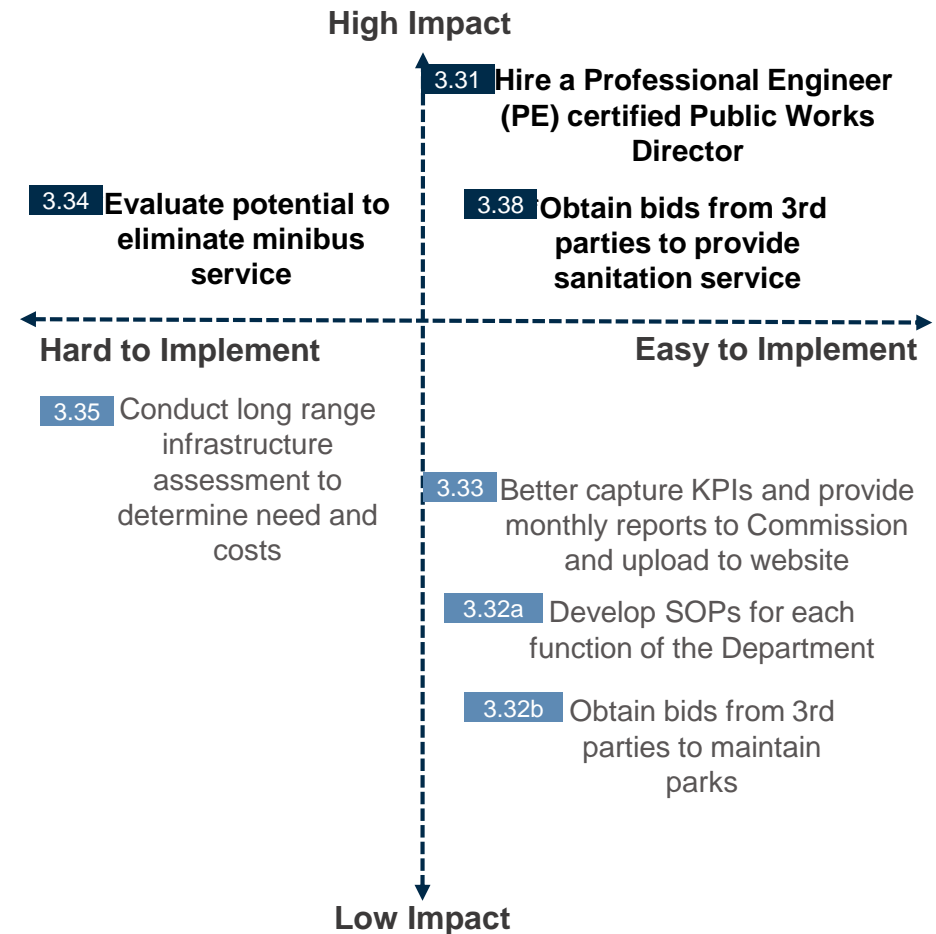
3.38 Sanitation data from benchmarking communities indicates potential need to outsource to 3rd party.



Detailed Public Works Report Found in Appendix AA

Recommendations Matrix

■ Priority Recommendations



Executive Summary of Village Manager Position

Current Village Manager is serving in an interim capacity with no clear timeframe to name a permanent Manager. Given the recent transitional nature of the position, there is a clear lack of leadership and management on the part of the position (not the current individual serving as Interim) and the permanent Manager should work closely with Commission on making numerous improvements.

Observations



Department Head

3.39 Interim Village Manager and unclear when permanent will be named



3.42a Identify lead on implementation recommendations outlined by A&M and approved by the Commission



N/A

Staff

3.40 Chain of command and communication issues exist between staff, Department Heads, Village Manager and the Commission



3.41 Many contracts over five years old need to be rebid such as telephone service and USPS contract

3.42 There is a lack of stable leadership coming from this critical leadership position and minimal inputs into budget and procurement processes

3.43 Commission not performing annual review for Manager

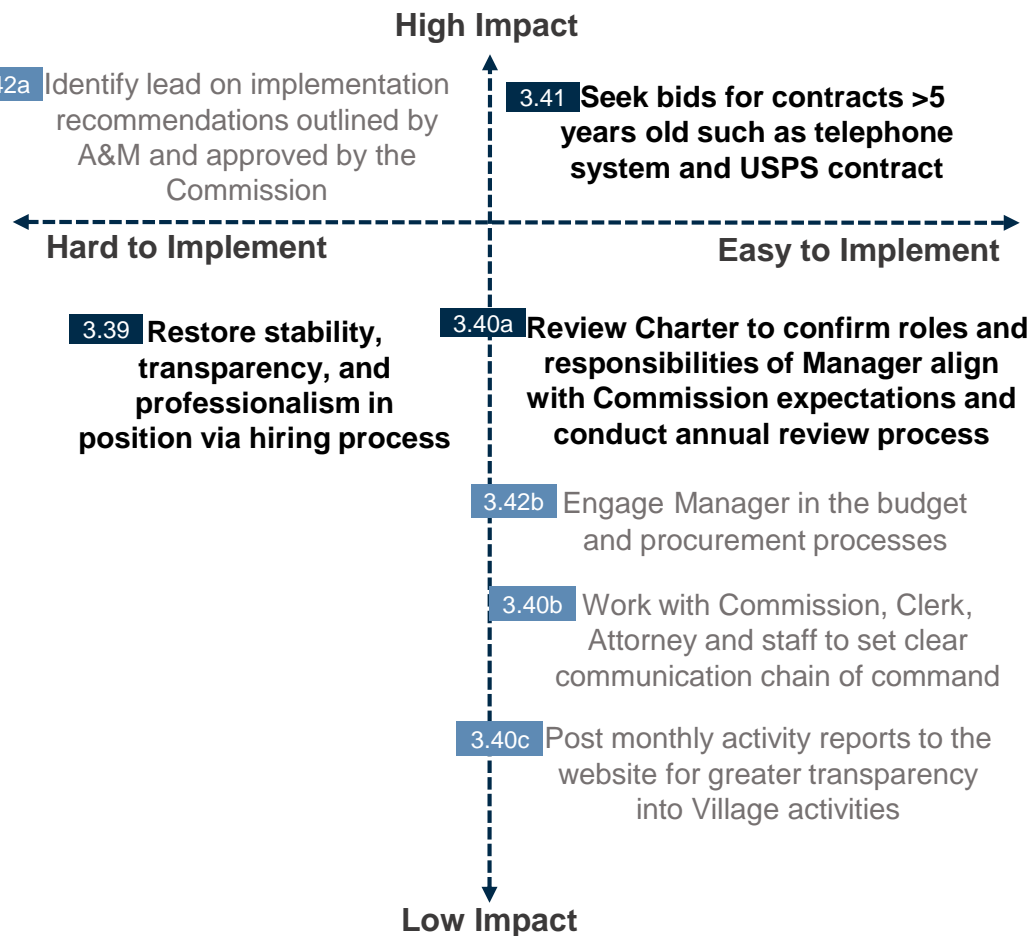


Benchmarking

3.44 N/A

Recommendations Matrix

■ Priority Recommendations



Detailed Manager Report Found in Appendix AB

No Significant Issue Moderate Issue Significant Issue

Summary of Village Clerk Position

A Village Clerk was recently hired after Village was served by an Interim Clerk. There are no SOPs for the Department and no specific SOPs for document management. In addition, the Clerk's office is expected to generate significant amount of paper given the volume of agenda packets. According to benchmark data, the Clerk should have at least one Deputy Clerk with potential additional support.

Observations



Department Head

3.45 New Village Clerk hired



Staff

3.46 No SOPs for the saving, storing, and disposal of Village documents



3.47 Currently generating a large volume of paper on a monthly basis



3.48 Roles and Responsibilities are not well defined and there are no SOPs for the Department



3.49 Performing administrative duties for other Departments



3.50 Commission not performing annual review for Clerk



Benchmarking

3.51 With no Deputy Clerk, peer communities reviewed have an average staff size of 2.5 full time staff.

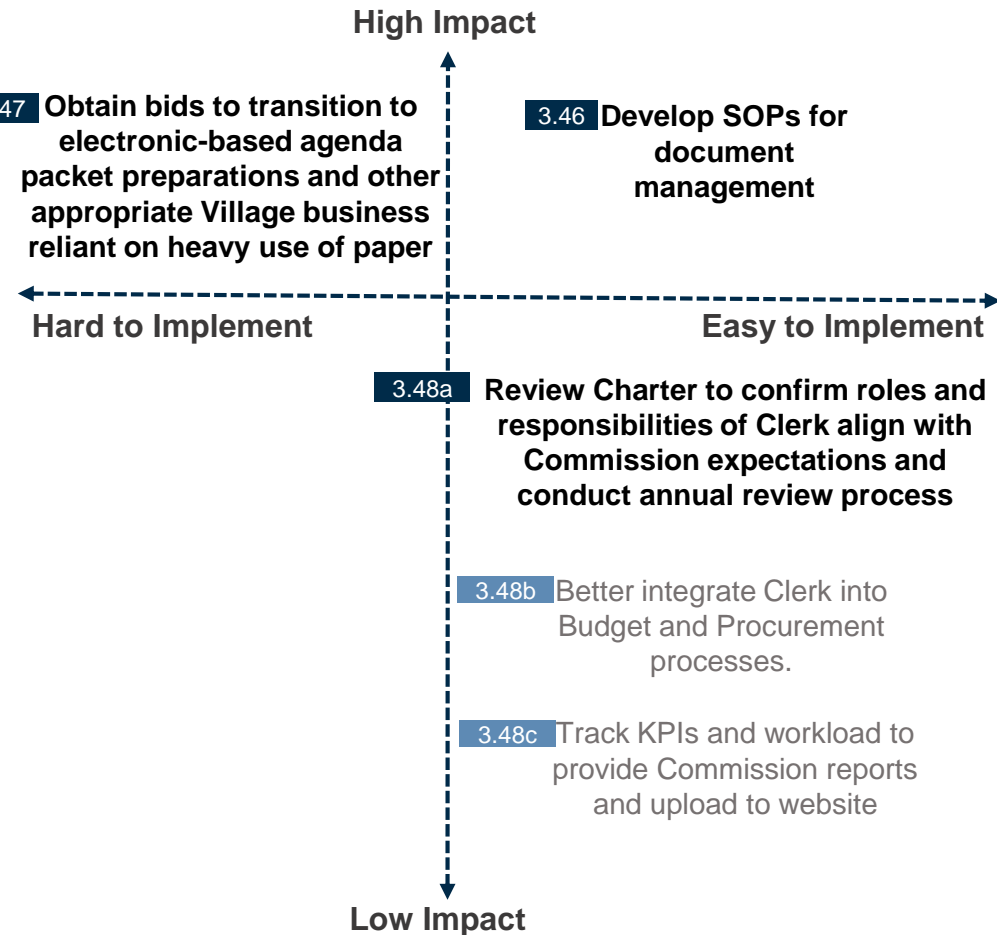


Detailed Clerk Report Found in Appendix AC

● No Significant Issue ● Moderate Issue ● Significant Issue

Recommendations Matrix

■ Priority Recommendations




Summary of Village Attorney Position

The Village is currently being served by an Interim Village Attorney. However, RFPs were recently issued and are being evaluated. Charter is not clear as to when Village Attorney needs to seek Commission approval on decisions to hire other legal experts or make a spending decision.

Observations





Department Head


3.52 Village currently served by Interim Village attorney but RFPs being evaluated 



Staff


3.53 Attorney does not appear to be providing monthly status reports to post to Village website 

3.54 Appears to be lack of clarity as to when Attorney needs to seek Commission guidance when it comes to hiring 3rd party legal subject matter experts 

3.55 Commission is not currently performing annual review for the Attorney 



Benchmarking

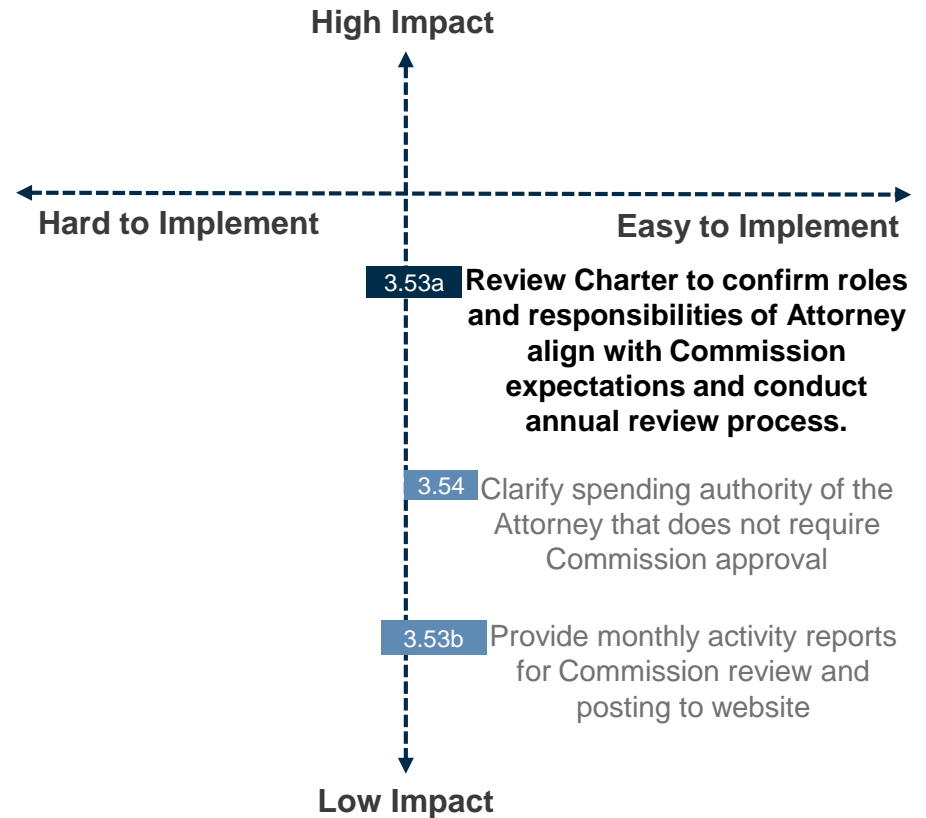
3.56 Of the ten peer communities in Florida reviewed, only two maintain in house staff attorneys (Miami Beach and Marathon) 

Detailed Building Report Found in Appendix AD

 No Significant Issue  Moderate Issue  Significant Issue

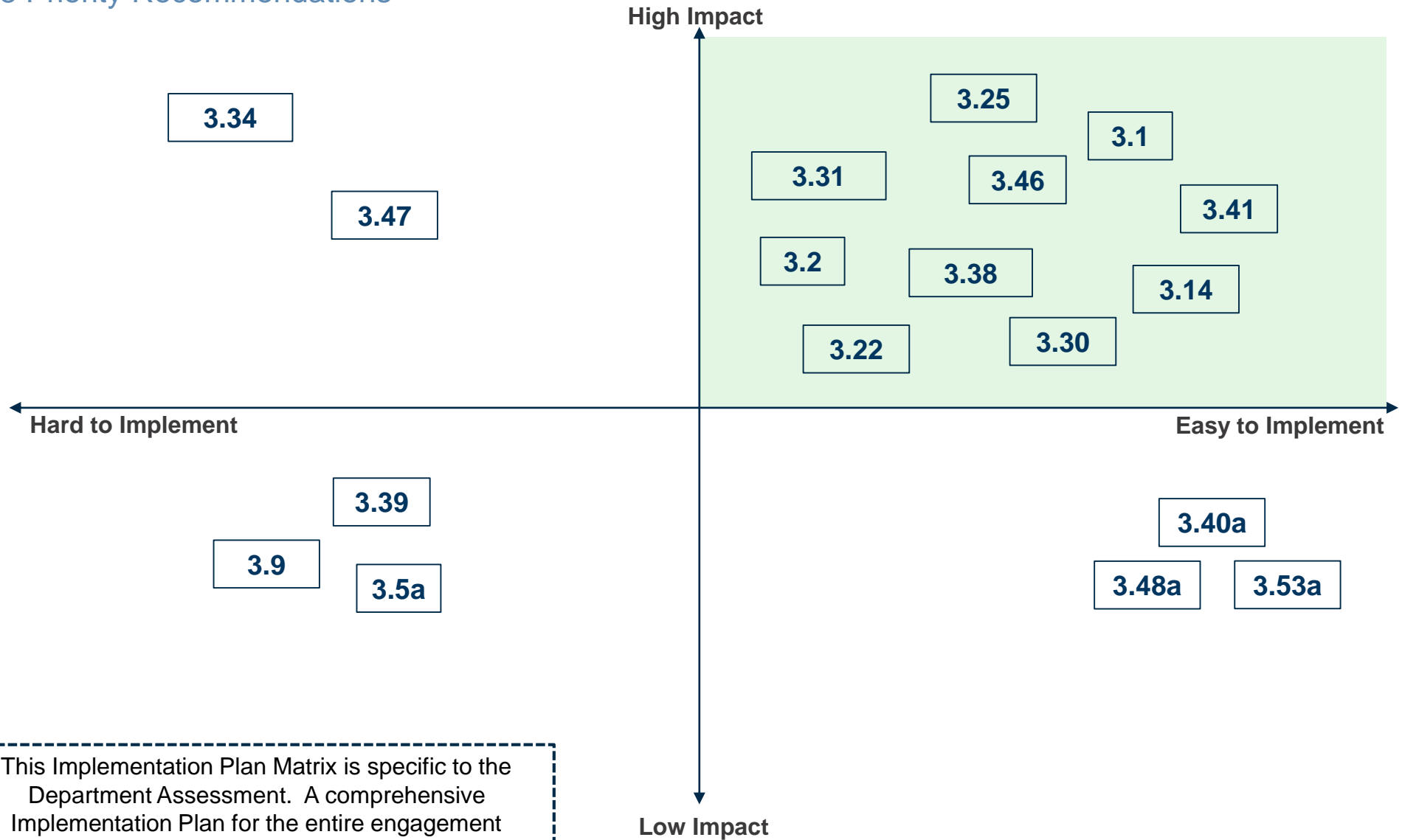
Recommendations Matrix

 Priority Recommendations



Department Assessment Implementation Plan

18 Priority Recommendations



This Implementation Plan Matrix is specific to the Department Assessment. A comprehensive Implementation Plan for the entire engagement (Finance, Human Resources and Department Assessment) is presented in Appendix E.

Summary of Priority Recommendations

By Department

Department	Of 47 Total Recommendations 18 Priority Recommendations Based on Impact and Ease of Implementation	Rec #
Building Building, Planning and Zoning	<ul style="list-style-type: none"> • Identify a Building Department Head and integrate into management, budget and procurement processes • Rebid CAP and LaRue contracts for best pricing • Conduct a technology assessment to build out more data capture and tracking of project status on the website 	3.1 3.2 3.5a
Police Police, Code Enforcement, and Fleet	<ul style="list-style-type: none"> • Work with CIS vendor to move towards a more paperless Department • Review current staff allocation between divisions and reallocate to meet ICMA ‘Rule of 60’ between patrol and support • Evaluate moving Code into the Building Department on a longer term basis • Define fuel purchase policy based on vehicle location, type and usage • Continue to track usage by miles and hours driven to better understand utilization and then evaluate pooled vehicles for potential savings and unit reductions 	3.9 3.14 3.22 3.25 3.30
Public Works Roads, Parks, Minibus, Sanitation, and Utilities	<ul style="list-style-type: none"> • Hire a Professional Engineer (PE) certified Public Works Director • Evaluate potential to eliminate minibus service • Obtain bids from 3rd parties to provide sanitation service 	3.31 3.34 3.38
Village Manager	<ul style="list-style-type: none"> • Restore stability, transparency, and professionalism in position through hiring process • Review Charter to confirm Roles and Responsibilities of Manager align with Commission expectations and conduct annual review process • Seek bids for contracts >5 years old such as telephone system and USPS 	3.39 3.40a 3.41
Village Clerk	<ul style="list-style-type: none"> • Develop SOPs for Village-wide document management • Obtain bids to transition to electronic-based agenda packet preparations and other appropriate Village business reliant on heavy use of paper • Review Charter to confirm Roles and Responsibilities of Clerk align with Commission expectations and conduct annual review process 	3.46 3.47 3.48a
Village Attorney	<ul style="list-style-type: none"> • Review Charter to confirm Roles and Responsibilities of Attorney align with Commission expectations and conduct annual review process. 	3.53a



- I. Executive Summary
- II. Task 1 – Financial Operational Assessment
- III. Task 2 – Human Resources Assessment
- IV. Task 3 – Village Management Advisory Support (and Assessment of Other Departments)
- V. Appendix

Appendix Index

Index	Item	Section	Page #
A	About Alvarez and Marsal	Executive Summary	
B	Project Overview	Executive Summary	
C	Cost Savings Methodology	Executive Summary	
D	Recommendations Matrix Index	Executive Summary	
E	Implementation Plan Detail	Executive Summary	
F	PMO Support & Governance	Executive Summary	
G	Budget Overview	Task 1 - Financial Operational Assessment	
H	Finance Leadership: Current vs. Recommended State	Task 1 - Financial Operational Assessment	
I	Financial Policies	Task 1 - Financial Operational Assessment	
J	Policies vs. Procedures	Task 1 - Financial Operational Assessment	
K	Financial Processes with Technology Impact	Task 1 - Financial Operational Assessment	
L	Procurement Process Review	Task 1 - Financial Operational Assessment	
M	Procurement Process Review - Invoice Sampling	Task 1 - Financial Operational Assessment	
N	Invoice Backup Packet Examples	Task 1 - Financial Operational Assessment	
O	Cash Management Process Review Detail	Task 1 - Financial Operational Assessment	
P	Budget Process Responsibility	Task 1 - Financial Operational Assessment	
Q	Debt Service Accounting Practices	Task 1 - Financial Operational Assessment	
R	Small Municipality Outsourcing Case Study	Task 1 - Financial Operational Assessment	
S	HR Function: Current vs. Recommended State	Task 2 - Human Resources Assessment	

Appendix Index

Index	Item	Section	Page #
T	Human Resources Policies	Task 2 - Human Resources Assessment	
U	Training and Development Details	Task 2 - Human Resources Assessment	
V	Recruiting Process Improvements	Task 2 - Human Resources Assessment	
W	Performance Management Process Detail	Task 2 - Human Resources Assessment	
X	Task 3 Report Methodology & Overview	Task 3 - Other Department Review	
Y	Building Department Detail	Task 3 - Other Department Review	
Z	Police Department Detail	Task 3 - Other Department Review	
AA	Public Works Department Detail	Task 3 - Other Department Review	
AB	Village Manager Position Detail	Task 3 - Other Department Review	
AC	Village Clerk Position Detail	Task 3 - Other Department Review	
AD	Village Attorney Position Detail	Task 3 - Other Department Review	
AE	Additional Supporting Details	Task 3 - Other Department Review	

A. About Alvarez & Marsal – Overview

Founded in 1983, A&M delivers tangible results to organizations seeking to improve performance all across the world.



35
Years

3,500+
Employees

4
Continents

53
Offices

20+
Countries

A. Sample A&M Public Sector Clients

A&M has strong public sector credentials, including deep local and municipal government expertise.

Deep Local and Municipal Expertise



Strong Public Sector Credentials



The A&M Team was engaged by North Bay Village to conduct an independent evaluation and assessment of the Finance and Human Resources functions as well as a review of the Village Manager and other departments.

Task 1: Financial Operational Assessment

- ✓ Review of current operating policies, business procedures and practices for the collection of revenues
- ✓ Review of the current policies, procedures and practices for cash management
- ✓ Review of current operating, procurement and accounts payable procedures and practices and controls
- ✓ Review of budgeting and capital planning processes and planning assumptions for the current fiscal year
- ✓ Validate accounting for debt service and any reserve requirements for principal and interest
- ✓ Review payroll processes and controls for proper payment of employees
- ✓ Review of prior year audit management letter and internal controls

Task 2: Human Resources Assessment

- ✓ Review of existing Village policies and procedures and controls to evaluate the alignment of resource management practices with best practices in personnel management.
- ✓ Review the current organizational structure, compare to benchmarks, as appropriate, and make recommendations for improvement
- ✓ Review internal training and development requirements and opportunities and recommend potential improvements to attract and maintain quality and well-trained staff
- ✓ Review processes related to creation and utilization of job descriptions as well as performance evaluation process, and compare to best practices, as appropriate, and make recommendations for improvement

Task 3: Village Management Advisory Support

- ✓ Discuss with the Mayor, the Village Commissioners, Interim Village Manager and Department Heads the current priorities and upcoming challenges
- ✓ Provide advisory recommendations on the delivery of Village services and guidance for Department Heads regarding service delivery based on best practices and benchmarks
- ✓ For Departments not captured in Task 1 (Finance) or Task 2 (HR), provide suggestions for improvement, to include organizational structure, staffing levels, potential training requirements, and aspects of community and economic development
- ✓ Assist Mayor and Village Commissioners in the search of permanent Village Manager

B. Project Team Overview

A&M's team of professionals engaged in the North Bay Village assessment has extensive experience in managing and transforming government operations and financial management.



Tom Shaffer | Managing Director & Co-National Practice Leader

- Served as interim CFO for a large government agency and two private equity-owned companies
- Has led several operations and finance-focused efficiency assessments, including for U.S. Postal Service, Oklahoma, and commercial organizations
- Served as Interim SVP of Finance for a large defense contractor based in South Florida
- Prior to A&M, Special Advisor to the CFO of the FBI, where he held Top Secret / SCI Clearance
- Former Adjunct Finance Lecturer, Georgetown University
- Certified Project Management Professional (PMP)
- BA in Economics, University of Pennsylvania
- MBA, Harvard Business School



Mark Howard | Managing Director & State and Local Practice Lead

- 35+ years of experience as an executive consultant to governments,
- Primary areas of concentration include back-office operations transformation, financial/budgeting management and government performance management
- Served 10 years in city management as Department Head, Budget Director, Deputy City Manager, and City Manager for cities in Texas, Colorado and Wisconsin
- Prior to joining A&M, Mr. Howard spent 23 years with Accenture where he most recently served as Global Lead for the Public Administration/Regulatory industry group
- BA in History, Northwestern University
- MPA, LBJ School at the University of Texas-Austin



Nancy Zielke | Senior Director

- 35+ years in state and local government budgeting; operational and performance improvement strategies; and financial restructurings
- Has led numerous operational and financial efficiency assessments
- Served as interim Executive Budget Director for Detroit Public Schools and Planning and Budget Director for SC Department of Health & Human Services
- Prior to A&M, held key CFO and Budget Officer roles at the City of Kansas City, KS; KS BPU and University of Missouri– KC
- Past President, Government Finance Officers Association
- BA in Business Administration, Adrian College
- MPA, University of Kansas
- Emergency Manager Certification, Michigan State University



Sheena Gordon | Director

- 10+ years of financial management and data analysis experience across private and public sectors
- Supported of statewide and agency efficiency reviews for the States of Wyoming, Rhode Island, and Indiana, and the City of Dallas, TX
- Led financial management assessment for the Town of Ramapo, NY
- Provided budget and financial management support for a Pennsylvania human services agency
- Prior to A&M served as a Budget Analyst for the New York City Mayor's Office of Management Budget, and held research analyst roles at Fitch Ratings and Roosevelt & Cross, Inc.
- BA in Economics, Barnard College – Columbia University
- MBA Columbia Business School
- Prosci® Certified Change Management Professional



Matt McCleary | Director

- 18+ years in public and private sector advisory consulting services including real estate, infrastructure, and economic development
- Former Village Administrator and interim Community Development Director
- Managed pre-development efforts for mixed use project for the City of Twentynine Palms' \$30M downtown revitalization project
- Previously managed AECOM's Economics team in Southern California that focused on maximizing value of public land
- Certified Project Management Professional (PMP)
- MA in Political Science, Illinois State University
- BS in Business Administration, University of North Iowa



Katherine Stadler | Analyst

- Supports financial assessments and statewide efficiency reviews and has experience in both financial and operational restructuring services.
- Primary focus areas include improving internal controls, financial analysis, continuous quality improvement and policy analysis
- Helped to restructure internal and financial controls of a municipality related to a court settlement to improve financial management
- Prior to joining A&M, Katherine worked in the House of Representatives and the Texas State government where she assisted in developing financial and economic policy to improve fiscal responsibility
- BBA in Finance, The University of Texas at Austin

C. Cost Savings Methodology (1 of 2)

Department	Recommendation	Annual Cost Savings in Steady State		Savings Methodology
		Low	High	
Finance	Optimizing Technology	\$85,000	\$85,000	Eliminating the Accountemps contract for Accounts Payable support within the Finance Department.
Finance	Enhanced Procurement Processes	\$141,084	\$229,636	Reduction in total procurement by 4.7 to 7.7 percent spend due to enhanced oversight and cooperative purchasing, based on A&M experience in strategic sourcing.
Finance	Investment: Elevate Finance Director role to a Chief Finance Officer	(\$14,975)	(\$29,875)	Increase from current Finance Director salary to salary range for municipal CFO roles posted on public job boards, including benefits.
Human Resources	Performance Evaluations	-	\$63,090	Average spend in termination settlements between 2016 and 2018.
Human Resources	Benefits	\$141,647	\$283,295	Bringing health insurance and workers compensation inline with peer municipalities. Represents reducing Health/Medical Insurance and Workers Compensation by a range of 3 to 6 percent
Human Resources	Reinstate HR Clerk/Special Events Coordinator in lieu of HR Coordinator	\$26,252	\$26,252	Reduction from the current HR Coordinator salary to the previous HR Clerk and Special Events Coordinator salary, including benefits.
Human Resources	Investment: Reinstate HR Director position	(\$107,280)	(\$137,080)	Salary range for municipal HR Director roles posted on public job boards, including benefits.
Building	Rebid contracts	\$14,780	\$24,634	Reducing the current contract for LaRue/Cap by 2 to 3 percent.
Building	Identify Department head function	\$7,500	\$11,250	Reduction of 50 to 75 hours of consultants' time based on improved communication at \$150 an hour.
Police	Fuel Policy	\$2,200	\$4,400	Savings between 2 percent and 4 percent by implementing fuel policy and monitoring fleet usage on FY2019 budgeted fuel cost.

C. Cost Savings Methodology (1 of 2)

Department	Recommendation	Annual Cost Savings in Steady State		Savings Methodology
		Low	High	
Public Works	Eliminate Minibus Service	\$19,300	\$85,000	At an average of 12 riders /day the current cost of a minibus passenger averages \$20 / ride. Assuming if each individual took a ride share such as Uber/Lyft at an average cost of \$15 provides a service comparable to the minibus service would cost \$65,000.
Public Works	Investment: Reinstate Public Works Director	(\$138,180)	(\$191,274)	Salary range based on the current Public Works Director job posting, including benefits.
Manager	Investment: Increase Manager salary to market rate	(\$59,600)	(\$81,950)	The low end of the savings range represents the difference between the low end of the benchmark municipalities' manager salaries and the current manager salary. The high end is the difference between the average manager salary for the benchmark municipalities and the current Village Manager salary.
Manager	Investment: Hire a chief of staff to support the Village Manager	0	(\$32,900)	Increase on the high end represents the difference between the salary of the Executive Assistant to the Village Manager and the high end of the salary range in the job posting.

D. Recommendations Matrix Index (1 of 2)

#	Recommendation
<u>Financial Operational Assessment</u>	
1.1	Elevate Finance Department leadership role to Chief Financial Officer
1.2	Establish policies to govern the Village’s core financial management functions
1.3	Adopt all policies, including those of the Finance Department, through the Village Commission resolution process
1.4	Optimize the use of Tyler system to support financial management functions
1.5	Restructure procurement process to reduce to improve controls on Village purchases
1.6	Identify an appropriately trained procurement staff person to manage the Village’s purchasing processes
1.7	Enhance use of ADP to reduce the number of manual payroll processes
1.8	Increase cash management practices to provide additional security for Village funds
1.9	Expand the annual budget process to drive collaboration and increased analysis of requests
1.10	Separate tax levy issued for debt service from the General Fund
1.11	Consider opportunities to outsource Finance functions
<u>Human Resources Operational Assessment</u>	
2.1	Create an HR Director position to lead the department in line with the Villages organizational strategy and priorities
2.2	Clarify reporting lines and chain of command across Village employees
2.3	Establish required training and process for identifying employee and department-specific trainings
2.4	Follow a consistent procedure for recruiting employees and track applicants through each stage of the process
2.5	Review job descriptions annually to ensure employees are completing required tasks and key functions are appropriately assigned
2.6	Expand the current performance evaluation process to include goal setting and a mid-year review
2.7	Manage benefits administration to ensure costs are reasonable and negotiated broker rates are competitive

D. Recommendations Matrix Index (2 of 2)

#	Recommendation
Other Department Assessment	
3.1	Identify Department Head “function” from administrative/budget/procurement perspectives
3.2	Rebid contracts for consulting services and negotiate best pricing
3.5a	Technology assessment to build out more capabilities to track projects and Department performance on the website
3.9	Technology assessment to understand where savings and efficiencies can be found in areas that are still paper-based
3.14	Review staff allocation between Divisions and reallocate staff before any new hires are considered
3.22	Potentially move Code Enforcement into Building Department
3.25	Define fuel purchase policy based on vehicle location, type and usage
3.30	Better track correlation of fuel usage to vehicle utilization to identify low-use vehicles and drive towards fleet right-sizing
3.31	Hire PE Certified Public Works Director with management and budgeting skills
3.34	Evaluate potential of eliminating minibus service
3.38	Bid out sanitation services to understand alternative levels of service and cost
3.39	Restore stability, transparency, and professionalism in position through hiring process
3.40a	Establish roles and expectations with Commission and conduct annual review process
3.41	Seek bids for contracts >5 years old such as telephone system and USPS
3.46	Develop SOPs for Village-wide document management
3.47	Seek bids for electronic based agenda packets and other paper intensive activities
3.48a	Establish roles and expectations with Commission and conduct annual review process
3.53a	Establish roles and expectations with Commission and conduct annual review process

E. Implementation Plan Detail (1 of 5)

	Owner	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020
Project Management Office	Chief of Staff	[Solid blue bar]											
Identify appropriate PMO lead and support structure	Manager	[Light blue bar]											
Prioritize initiatives for implementation		[Light blue bar]											
Develop PMO tools			[Light blue bar]										
Finalize implementation project plan for each initiative			[Light blue bar]										
Track and monitor implementation													
Evaluate implementation progress													
Finance Department	CFO		[Solid blue bar]										
Establish enhanced CFO role	Manager		[Light blue bar]										
Establish finance policies	CFO			[Light blue bar]									
Optimize Tyler system	Sr. Accountant												
Restructure the procurement process	Procurement Manager												
Enhance use of ADP	Accountant		[Light blue bar]										

E. Implementation Plan Detail (2 of 5)

	Owner	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020
Finance Dept. (cont.)	Finance Director		[Gantt bar from Jun 2019 to Feb 2020]										
Increase cash management oversight	CFO		[Gantt bar from Jun 2019 to Aug 2019]										
Expand annual budget process	CFO			[Gantt bar from Jul 2019 to Nov 2019]									
Separate tax levy received for debt service	Sr. Accountant					[Gantt bar in Sep 2019]							
Consider opportunities to outsource finance functions	Village Manager								[Gantt bar from Dec 2019 to Mar 2020]				
Human Resources	HR Director		[Gantt bar from Jun 2019 to Nov 2019]										
Hire HR Director	Village Manager		[Gantt bar from Jun 2019 to Aug 2019]										
Clarify reporting lines and chain of command	HR Director			[Gantt bar in Jul 2019]									
Establish required training modules	HR Director			[Gantt bar from Jul 2019 to Sep 2019]									
Establish process for employee-specific training	HR Director				[Gantt bar from Aug 2019 to Oct 2019]								
Restructure and track recruiting process	HR Director					[Gantt bar in Sep 2019]							
Review job descriptions	Manager/ HR Director						[Gantt bar in Oct 2019]						
Expand performance evaluation process	HR Director						[Gantt bar from Oct 2019 to Dec 2019]						

E. Implementation Plan Detail (3 of 5)

	Owner	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020
HR Department (cont.)	HR Director		[Dark Blue Bar]										
Manage benefits administration	HR Director												
Village Manager	Commission / Manager		[Dark Blue Bar]										
Restore stability/professionalism in Manager position via hiring process	Commission		[Light Blue Bar]										
Seek bids for contracts >5 years old	Manager / Procurement			[Light Blue Bar]									
Establish Manager roles and expectations and conduct review	Commission / Manager		[Light Blue Bar]										
Police Department	Police Chief		[Dark Blue Bar]										
Review staff allocation between Divisions and reallocate staff	Police Chief			[Light Blue Bar]									
Conduct technology assessment to eliminate paper-based systems	Police Chief or Designee		[Light Blue Bar]										
Define fuel purchase policy based on vehicle location, type and usage	Fleet Manager		[Light Blue Bar]										
Create reports to track correlation of fuel usage to vehicle utilization	Fleet Manager		[Light Blue Bar]										
Building Department	Village Manager		[Dark Blue Bar]										
Rebid contracts for consulting services and negotiate best pricing	Manager / Procurement			[Light Blue Bar]									

E. Implementation Plan Detail (4 of 5)

	Owner	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020
Building Department (cont.)	Village Manager		[Dark Blue Bar]										
Identify Department Head "function"	Village Manager		[Light Blue Bar]										
Conduct technology assessment to enhance website capacity	B&Z Clerk					[Light Blue Bar]							
Public Works Department	P.W. Director		[Dark Blue Bar]										
Hire PE Certified Public Works Director with management and budgeting skills	Village Manager		[Light Blue Bar]										
Bid out sanitation to understand alternative levels of service/cost	P.W. Dir / Procurement				[Light Blue Bar]								
Evaluate potential of eliminating minibus service	Chief of Staff				[Light Blue Bar]								
Village Clerk	Commission / Clerk				[Dark Blue Bar]								
Establish Clerk roles and expectations and conduct review	Commission				[Light Blue Bar]								
Seek bids for electronic agenda packets and other paper activities	Village Clerk					[Light Blue Bar]							
Develop SOPs for Village-wide document management	Village Clerk				[Light Blue Bar]								

E. Implementation Plan Detail (5 of 5)

	Owner	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020
Village Attorney	Commission / Attorney												
Establish Attorney roles and expectations and conduct review	Commission												

F. PMO Functional Support Opportunities

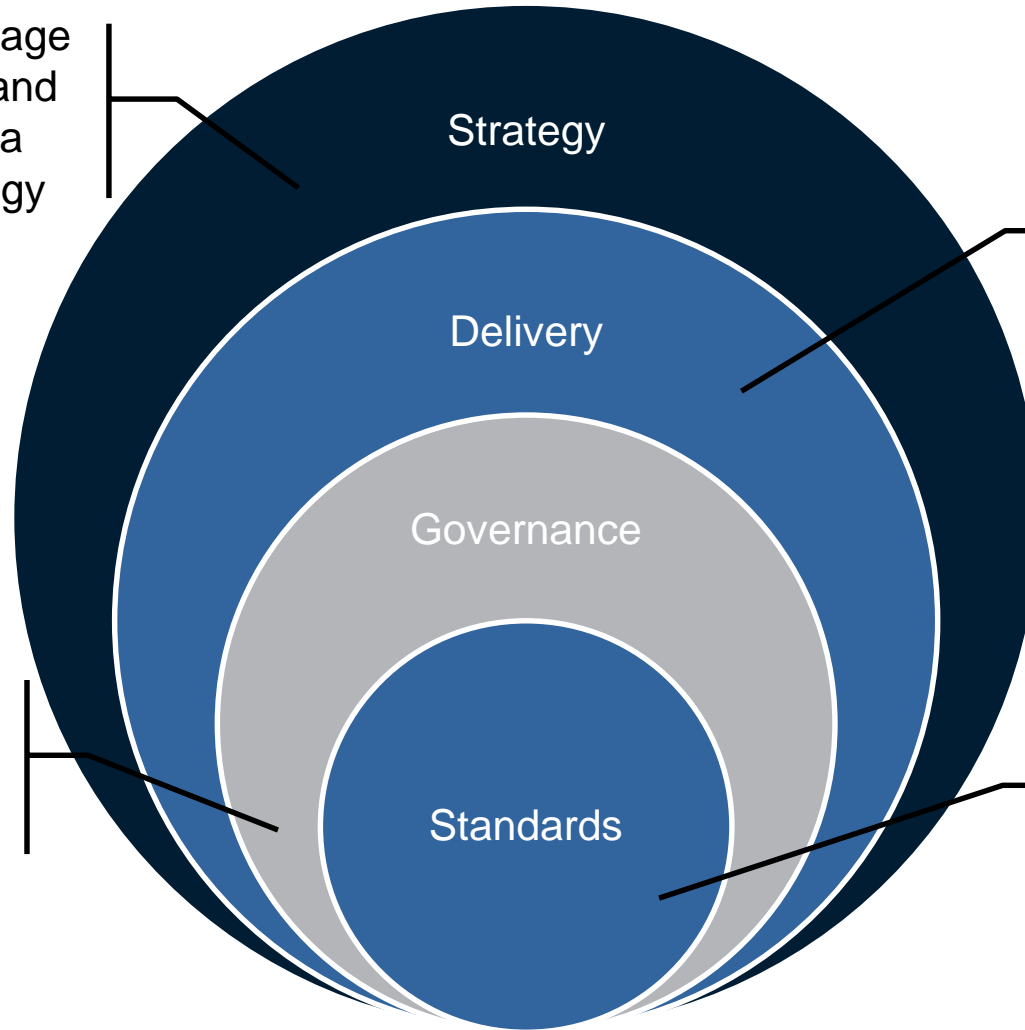
A&M recommends that the Village establish a PMO function will ensure that recommendations are effectively implemented systematically, on-time, and on-budget

Communication with Village Manager, Leadership, and stakeholders to build a cohesive project strategy

Work with project teams to make sure the project has the appropriate resources to be successful

Partners with the Village Manager and Steering Committee for sound project governance

Track the project performance indicators to measure performance



Consistent monitoring of performance metrics associated with each of the recommendations will help to ensure the projects have the intended impact. Identified PMO Lead should consistently track key metrics.



Project Schedules

Refine the implementation plan provided by A&M to provide guidance to initiative leads on the expected timeline for each recommendation.



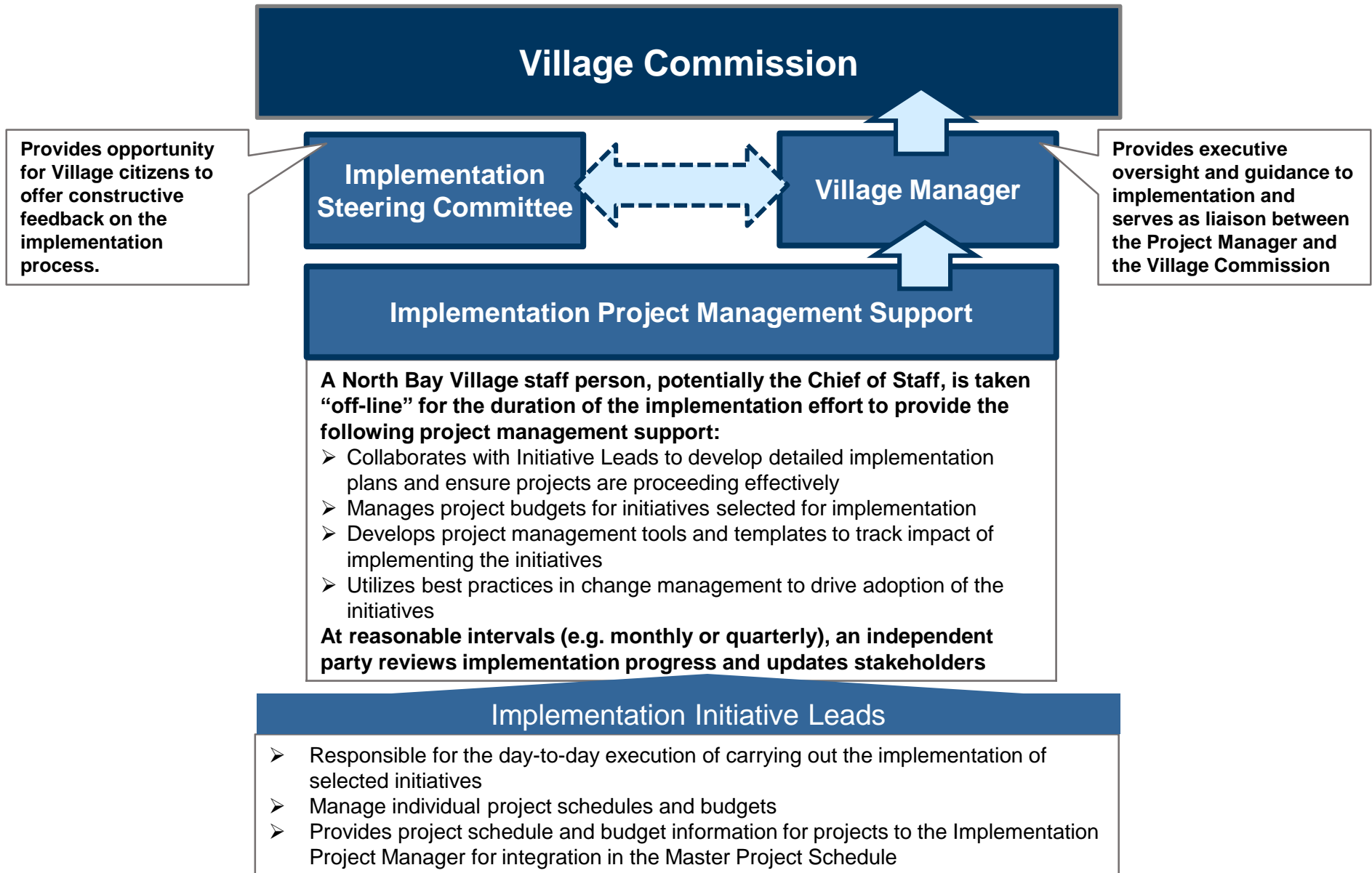
Performance Metrics

Based on metrics identified by the project teams, the PMO will support the state in evaluating the impact of efficiency initiatives and identify opportunities to maximize effectiveness.



Risks & Issues

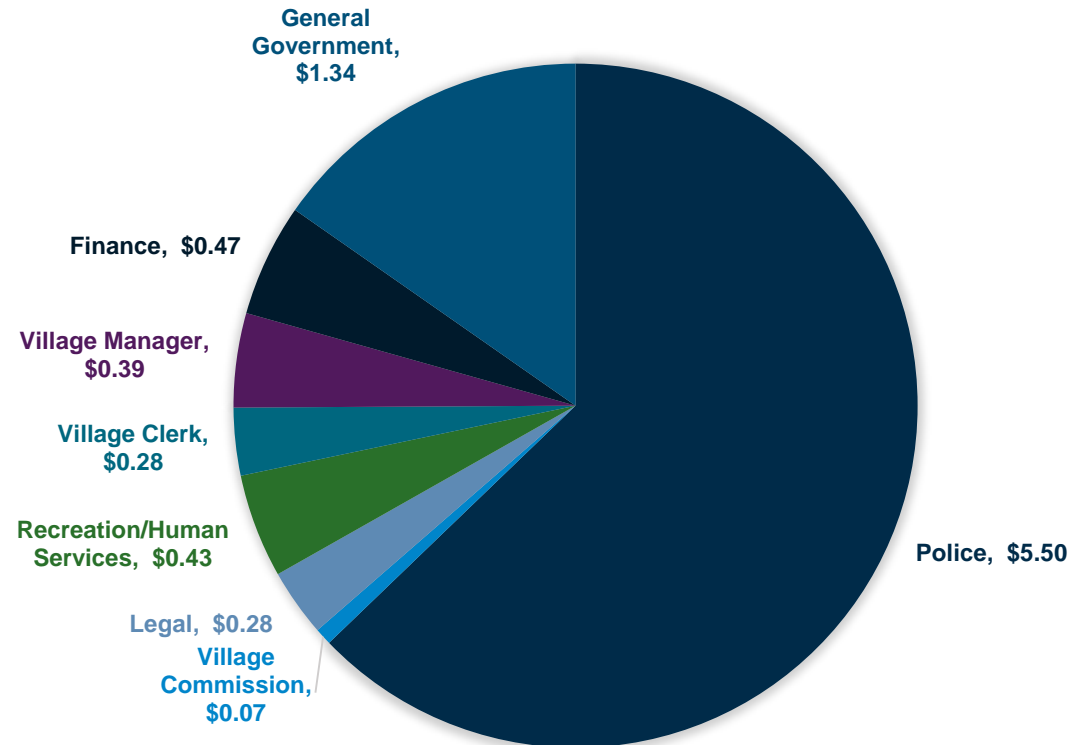
Throughout the Implementation Phase, the PMO team will work with project teams to identify risks and issues, while developing risk management strategies.



G. Budget Overview

- FY19 adopted General Fund (GF) is a total of \$8,796,762
- The Police Department is the leading expense of the Village, at 62.6% of GF expenditures
- The reserved GF fund balance is 29.4% of GF expenditures, in line with the Village Charter requirement of 20%
- The FY19 budget eliminated the positions of Deputy Village Manager/Human Resources Director and the Deputy Village Clerk. It includes a new full-time Procurement Administrator.
- There are 64 authorized positions funded by the General Fund, 13 by Special Revenue Funds, and 11 by Enterprise Funds

GENERAL FUND EXPENDITURES BY DEPARTMENT FY19
(IN MILLIONS)



H. Finance Leadership: Current vs. Recommended State

The Village's Finance Department is currently run by a Finance Director. A&M recommends that the Village elevate the role to a Chief Finance Officer ("CFO"), responsible not only for leading the Village's financial management processes and procedures, but also for implementing a future-focused strategy for the Finance function.

Function	Observation	Recommendation	Prioritization
Finance	Accounting processes are managed within the Finance Department and are currently supported by the Sr. Accountant, Accountant, and a temporary employee who processes Accounts Payable.	Split duties for the accounting function between the Sr. Accountant and the Accountant and engage Department Heads in actively managing their finances.	Medium
Procurement	Procurement does not have clear oversight, leading to lack of control on spending and inadequate vendor management.	Hire a Procurement Manager within the Finance Department to oversee the Village's purchasing function.	High
Payroll	Payroll is managed within the Finance department with some involvement from the Human Resources Coordinator.	Streamline the payroll process within the ADP system to allow Finance Department staff to devote time to higher value add activities.	High
Grants	Grants are managed by a third-party contractor and report into the Village Manager.	Manage the grants contractor within the Finance Department, including any tracking and monitoring required to support the funding.	Medium
IT	IT is supported by a third-party contractor who reports into the Village Manager.	Shift oversight of the IT contractor to the Finance Department.	Medium
Front Desk	The Front Desk is supervised by the Front Desk Services Supervisor, with some involvement from the Finance Department. The Front Desk currently reports to the Village Manager.	Shift oversight of the Front Desk to the Finance Department.	High
Treasury Management	There is no clear oversight of the Village's treasury and investment practices.	Establish clear structure for treasury management within the Finance Department, governed by policies in line with best practices.	Medium

I. Financial Policies (1 of 3)

North Bay Village does not have clearly documented financial policies. Based on best practices, there should be documented policies for key financial functions that help to guide processes and procedures.

#	Policy	Current Policy	Recommendation
1	Fund Balance/ Reserve	The Charter indicates that the General Fund shall maintain a reserved balance of 20 percent of the current year General Fund budget. Enterprise Funds must maintain 20 percent of the current budget in restricted net assets. High level guidance is provided for use of reserve funds and replenishment of reserves to policy levels.	<ul style="list-style-type: none"> • Provide additional guidance and examples on usage of reserves for the General Fund and Enterprise Funds
2	Utility Billing	The Code of Ordinances rate and provides billing guidelines for water and sewer services.	<ul style="list-style-type: none"> • Define the process to set fees and charges and the extent to which they cover the cost of the service provided.
3	Budget and Capital Planning	The Charter indicates that the Village Manager, 60 days prior to the start of the fiscal year submits to the Commission the budget and explanatory message; the Department Head provides details to support budget request and all pending municipal projects for the succeeding fiscal year and within the succeeding five fiscal years; two public comment sessions 10 days before Commission vote; 3/5 vote needed to approve budget	<ul style="list-style-type: none"> • Institute a written forecasting policy focused on revenue and expense projections • Develop a five-year Capital Improvement Plan to provide a framework for capital planning, including how stakeholder departments can collaborate to meet the operational and financial needs of the Village
4	Purchasing & Procurement	Purchases of less than \$5,000 can be made at the Manager's discretion, between \$5,000 and \$15,000 require three written quote, over \$15,000 the City requires a minimum RFP bid, piggy back on another municipal contract, sole source, or an existing vendor who previously won a bid	<ul style="list-style-type: none"> • Ensure non-budgeted items are reviewed by the Department Head, Finance Director, and Manager • Review all outstanding encumbrances to determine if they should be continued, canceled, or adjusted • Clarify what can be purchased by voucher versus purchase order • Ensure appropriations are available prior to authorizing large purchases and periodically for routine purchases

I. Financial Policies (2 of 3)

North Bay Village does not have clearly documented financial policies. Based on best practices, there should be documented policies for key financial functions that help to guide processes and procedures.

#	Policy	Current Policy	Recommendation
5	Debt Issuance and Management	The Charter indicates the Village will follow the Florida State Law for borrowing for municipal projects.	<ul style="list-style-type: none"> Specify appropriate uses for debt, a structured debt issuance process, and the maximum amount of debt and debt service that should be outstanding at any time. Establish a process for the selection of external consultants to assist in future bond offerings, including underwriters, bond counsel, disclosure counsel, and financial advisor. Establish a process for determining whether bonds should be issued through competitive or negotiated sale, or private placement for future financings Focus on mechanisms to ensure timely filings of required disclosure to bondholders.
6	Financial Management Policy	The Charter provides limited guidance on interfund transfers.	<ul style="list-style-type: none"> Review a comparison of actual expenditures to budget monthly and decide on actions to bring the budget into balance, if necessary to ensure operating/capital expenditure accountability. Ensure consistent monthly reporting to the Village Commission and department leadership including budget to actual comparisons, cash flow projections, departmental finance reports, and monthly budget meetings. Establish written guidelines regarding interfund transfers and repayment of interest. Policies should include guidance on who can request transfers, how transfers should be documented, and the wire transfer approval process. Inventory and assess the condition of all major capital assets. This information should be used to plan for the ongoing financial commitments required to maximize the public's benefit.

I. Financial Policies (3 of 3)

North Bay Village does not have clearly documented financial policies. Based on best practices, there should be documented policies for key financial functions that help to guide processes and procedures.

#	Policy	Current Policy	Recommendation
7	Credit Card Usage	No existing policy	<ul style="list-style-type: none"> • Provide guidance on credit card and procurement card usage for recurring and incidental purchases and develop standardized documentation to review request to use the cards.
8	Cash Management	No existing policy	<ul style="list-style-type: none"> • Document risk mitigation efforts governing collection, deposit, and recording processes associated with cash management. • Set up a separate, secure drawer, or lockbox for each employee that collects cash to keep cash until it is put in a safe or deposited with the bank.
9	Payroll/Timekeeping	No existing policy	<ul style="list-style-type: none"> • Inform employees of the appropriate methods and mechanisms for reporting time, including requesting sick leave, paid time off, and overtime. • Identify process for approving time sheets and locking the payroll. • Document earnings codes, eligibility, and approval process.
10	Treasury Management	No existing policy	<ul style="list-style-type: none"> • Perform monthly bank reconciliations across all Village departments. • Ensure the Finance Director reviews monthly bank statements for any irregularities. • Establish written wire transfer policies and procedures. Including guidance on establishing new accounts and closing accounts that are no longer required. • Develop online banking procedures to address allowable transaction types and access, authorization, and recording of online banking transactions.

J. Financial Management Department Policies vs. Procedures

Best practices in financial management support the following guidelines for implementation of policies and procedures for effective use of expanded functionality and refined business processes. It is important to have clear distinction between policies and the procedures they govern. **Having well-documented policies, as well as procedures, can help to provide effective guidance for employees.**

Policies

- A defined specific set of business rules and/or regulations that drive the operating processes and procedures
- Any Departmental policies should be aligned to any overall Village and Finance Department policies and establishes the formal guidance needed to coordinate and execute activity throughout the Village and the Departments
- When effectively deployed, they help focus attention and resources on high priority issues - aligning and merging efforts to achieve the institutional vision
- Tool to provide the operational framework within which the institution functions
- Policies have widespread application and change less frequently
- Usually expressed in broad terms
- Statements of “what” and/or “why”
- Answers major operational issue(s)

Procedures

- The operational processes required to implement institutional policy. Operating practices should be formal, specific to the Finance Department and/or applicable across the entire Village
- If policy is "what" the Village does operationally, then its procedures are "how" it intends to carry out those operating policy expressions within the Finance Department
- Formal, user friendly manual which documents a series of steps that should be followed as a repetitive and consistent approach to accomplish an end result
- Has narrow application and are prone to change
- Stated in detail with case studies or examples of operational impact including step-by-step guidelines for use within the Tyler system.
- Statements of “how,” “when” and/or sometimes “who”
- Answers details on what steps to follow

A&M has developing the following structure to help the Village develop internal policies in a standardized format for ease in understanding key financial management guidelines and processes.

Key Components for Department Policy Statements

1. Department Name

2. **Division Name:** Name of department having oversight of the Department specific policy

3. **Policy Name:** Short name of the Department defined policy

4. **Policy Number:** Consistent policy numbering format for all financial management internal policies

5. **Overview:** Short overview statement of what the policy describes and alignment to any Village and/or Finance Department policies

6. **Purpose:** Describe the rational for the document. State the intention of objective of the policy.

7. **Policy Statement:** Identify when and to whom the procedures applies. Who is affected – which areas and activities. What are the parameters for applying the policy.

8. **Compliance:** Reference to any Village Policies or Departmental specific regulatory requirements

9. **Referenced Materials:** Citations to any reference materials, Village policies or compliance documents.

10. **Roles:** List the roles and functions of anyone involved in the policy implementation

11. **Approved By:** Name of Department Official

12. **Adopted Date:** Date Department policy approved

K. Tyler Improvements for Financial Processes (1 of 2)

#	Observation	Recommendation	Technology Impact	Prioritization
1	A single Finance staff person is responsible for preparing and posting journal entries. There is no secondary approval required in the system for journal entries of any amount.	Require supervisory level approval for journal entries before they can be posted to the system. The Finance Director should be involved in any journal entries that involve transfers or closing entries at the end of the fiscal year.	Within Tyler, each step in a process can be locked down to ensure proper approval and controls. Access controls should be set in Tyler so that the same person cannot post and approve journal entries.	High
2	A single Finance staff person enters and approves Interfund transfers within the Tyler system	Adjust the interfund transfer process to include supervisory approval before the transfer is presented to the Village Manager and transfers are made.	Journal entries impacting two funds should be designated in the system as requiring Village Manager approval.	High
3	For the past three years finance staff has scanned backup documents into the Tyler system and retained paper documents.	Upload relevant backup material to the Tyler system, in compliance with state and local government record retention schedules, and securely dispose of paper records	Ensure that documents are uploaded properly in the system to allow them to be automatically transferred between steps in the associated finance process.	High
4	Personnel outside of the Finance Department are not actively engaged in using Tyler for financial management and purchasing functions.	Ensure all personnel understand their role in procurement and financial management of their department, and have the required resources and system access	Assign all staff engaged in finance and procurement functions a unique identifier in the Tyler system Outline key trainings in the Tyler system to effective adoption of increasing technology to support financial functions	High
5	Budgets are generally copied from year to year with departmental changes made as required.	Departments should use a uniform spreadsheet to make budget requests that can be easily aggregated into a single form and uploaded to Tyler.	Use the Tyler Budget Wizard to import consolidated budget spreadsheets, and create preliminary and adopted versions of the budget	Medium

K. Tyler Improvements for Financial Processes (2 of 2)

#	Observation	Recommendation	Technology Impact	Prioritization
6	A majority of utility billing is made through phone calls that are taken by either the Front Desk or Finance Department.	Create incentives to encourage more utility billings be made through the free bank draft process within the utility billing system to ensure timely and efficient payments.	Identify opportunities to engage Tyler's Utility Billing Interactive Voice Response (IVR) to reduce the amount of employee time spent manually taking utility payments over the phone. There is no charge for the system, however there is a \$1.25 fee per transaction that can be passed to callers or absorbed by the Village.	Medium
7	There is limited use of financial reporting capability in Tyler by Department Heads and other department personnel with finance responsibilities. Finance provides Department Heads with high-level reporting, including YTD expenditures and budget to actuals.	<p>Provide all Department Heads and other essential personnel access to key financial reports within the Tyler system.</p> <p>Provide internal guidance on ways leadership can use reporting and data to inform strategic decision making.</p>	Review Tyler's extensive reporting packages and give staff access to reports that are relevant to managing their department's budget and finances.	Medium
8	Bank reconciliation are performed by the Finance Department	<p>Continue to conduct bank reconciliations.</p> <p>Ensure that information from the Tyler cashing system is properly imported to the bank reconciliation</p>	Engage the Bank Reconciliation module in Tyler to increase automation in the reconciliation process	Medium
9	The front desk staff maintains information in three separate sources (black book, excel spreadsheet, lien system) and must track down the lien through one of the separate source that accounts for 40% of the front desk staff time.	Move lien information that remains in the black book and excel spreadsheet to the current lien system to create a more efficient use of front desk staff time.	Identify opportunities to enhance the electronic system of record for liens to include all information and eliminate the need to search or maintain paper files.	Low

L. Procurement Process Review (1 of 3)

A&M reviewed a sample of invoices to better understand North Bay Village’s procurement process. Based on that review, A&M documented key opportunities to improve accuracy and transparency in the process, as well as enhance internal controls and compliance with the existing purchasing policy.

#	Observation	Recommendation	Prioritization
2	The Village does not currently use the requisition process within the Tyler system. For purchases, individuals submit an invoice after purchase that becomes a purchase order.	Designated access for requisitions to department head and ensure that every purchase order can be tied back to a requisition submitted by the proper department.	Medium
2	Department heads are not submitting requisitions for purchases within the Tyler system. Finance staff is submitting invoices to Tyler after the goods/services are received.	Department heads should be given access to the Tyler system and submit a requisition before any purchase order is approved by the Finance Director and Village	Medium
3	Records of three quotes for purchases between \$5,000 and \$15,000 are not included in the backup scanned to Tyler or otherwise readily available.	Require that whomever has signatory authority of the checks should not sign checks without reviewing and ensuring that the purchase order has the required backup	High
3	Invoice testing has shown that purchasing amounts over the \$15,000 threshold do not have the required backup in accordance with the charter.	Require that whomever has signatory authority of the checks should not sign checks without reviewing and ensuring that the purchase order has the required backup.	High
3	Backup packets do not consistently include the original contract or purchase order.	Ensure that there is a procedure and/or policy that includes required backup consistent with the backup requirements.	High
3	Backup packets for payment of invoices are not routinely scanned into the Tyler system.	Ensure that there is a documented procedure that requires all necessary backup that includes requisitions, are scanned into the Tyler system.	Medium

L. Procurement Process Review (2 of 3)

A&M reviewed a sample of invoices to better understand North Bay Village’s procurement process. Based on that review, A&M documented key opportunities to improve accuracy and transparency in the process, as well as enhance internal controls and compliance with the existing purchasing policy.

#	Observation	Recommendation	Prioritization
4	There does not appear to be a consistent mechanism for ensuring that funds are available before authorizing purchases	Require department heads to review budget and ensure adequate funds before submitting a requisition to procurement.	Medium
8	The village is not three way matching vendors invoice’s purchase orders, and backup packets with goods and services provided prior to payment.	Create a three way match procedure that ensures quantities, price, terms, and other information are in agreement before being entered as accounts payable.	High
9	Department sign off on paper invoices is inconsistent. There are no instances of Departments entering invoices directly in Tyler.	Work with Tyler vendor to give access and training to department heads and ensure that when a purchase order is necessary department heads are entering their invoices directly into the Tyler system.	Medium
12	There are instances where the same person creates and approves the same transaction within the Tyler system.	Ensure that the individual who is entering the transaction within the Tyler system is separate from the individual who approves that same transaction	High
13			
12	A single finance employee is entering vendor profiles and also approving the vendor profile.	Work with Tyler vendor to create and limit approval authority for the finance employee that creates a vendor profile.	High
13			

L. Procurement Process Review (3 of 3)

A&M reviewed a sample of invoices to better understand North Bay Village’s procurement process. Based on that review, A&M documented key opportunities to improve accuracy and transparency in the process, as well as enhance internal controls and compliance with the existing purchasing policy.

#	Observation	Recommendation	Prioritization
14	The Village does not have a comprehensive purchasing policy that is in line with best practices.	Establish an updated more comprehensive procurement policy and documented formalized procurement procedures to ensure a consistent approach to accomplish specific results in the procurement process	High
14	The Village has contracts that have not been reviewed and rebid within the past five years.	Set procurement performance metrics that include timely reviews of contracts to track cost savings/cost avoidance within the procurement process such as total spend, purchase spend, percentage of spend under management, etc.	Medium
14	There is no credit card policy or procedure that is followed consistently by village employees who need to make purchases.	Enact a credit card policy that includes the procedure for the use of a credit card, who can use them, credit card limits on each card, what qualifies as quarterly review process by which the finance director and village manager reviews statements and purchases.	High

M. Procurement Process Review – Invoice Sampling (1 of 3)

Review of the sampled invoices demonstrated that backup often lacks evidence of three-way match or appropriate procurement mechanism. There were several instances of the same employee creating and approving an invoice, with no record of the Village Manager approving transactions in the system.

Vendor Number	Payment Date	Payment Amount	Invoice Number	Backup Readily Available?	Backup Complete?	Created and approved by appropriate personnel?
1	12/28/2018	\$7,264.12	8376	Y	N	N
2	01/21/2019	\$2,668.34	8465	Y	N	N
3	12/28/2018	\$71,084.24	8381	Y	N	N
4	10/19/2018	\$27,478.28	8006	N	N	N
5	10/05/2018	\$25,370.73	7883	Y	N	N
6	11/05/2018	\$2,700.00	8111	Y	N	N
7	02/14/2019	\$16,204.82	8679	Y	N	N
8	12/28/2018	\$88,915.00	8391	Y	Y	N
9	02/08/2019	\$91,016.00	8620	Y	N	N
10	12/05/2018	\$104,866.76	FRS NOV2018	Y	N	N
11	10/26/2018	\$3,742.20	10564	Y	N	N
12	10/05/2018	\$286,174.49	7901	Y	Y	N

M. Procurement Process Review – Invoice Sampling (2 of 3)

Review of the sampled invoices demonstrated that backup often lacks evidence of three-way match or appropriate procurement mechanism. There were several instances of the same employee creating and approving an invoice, with no record of the Village Manager approving transactions in the system.

Vendor Number	Payment Date	Payment Amount	Invoice Number	Backup Readily Available?	Backup Complete?	Created and approved by appropriate personnel?
13	10/05/2018	\$286,174.49	7901	Y	Y	N
14	10/26/2018	\$2,850.00	8053	Y	N	N
15	11/09/2018	\$39,200.00	8147	Y	N	N
16	12/07/2018	\$7,223.90	DFT0000105	N	N	N
17	12/21/2018	\$17,000.00	8355	Y	N	N
18	10/19/2018	\$255,996.00	8031	Y	Y	N
19	10/19/2018	\$62,616.57	8020	Y	N	N
20	02/14/2019	\$31,450.00	8661	Y	N	N
21	10/12/2018	\$1,670.11	7981	Y	Y	N
22	12/04/2018	\$13,902.72	8271	Y	N	N
23	10/19/2018	\$2,000.00	8025	Y	N	N
24	11/09/2018	\$1,787.00	8160	Y	N	N

M. Procurement Process Review – Invoice Sampling (3 of 3)

Review of the sampled invoices demonstrated that backup often lacks evidence of three-way match or appropriate procurement mechanism. There were several instances of the same employee creating and approving an invoice, with no record of the Village Manager approving transactions in the system.

Vendor Number	Payment Date	Payment Amount	Invoice Number	Backup Readily Available?	Backup Complete?	Created and approved by appropriate personnel?
25	11/20/2018	\$332,047.03	DFT0000102	Y	N	N
26	02/04/2019	\$12,692.30	8602	Y	N	N
27	11/27/2018	\$28,296.00	8225	Y	N	N
28	10/12/2018	\$2,125.00	7994	N	N	N
29	10/19/2018	\$41,350.00	8029	Y	N	N
30	10/05/2018	\$1,975.25	7946	Y	Y	N
31	11/05/2018	\$52,778.94	8127	Y	Y	N

N. Invoice Backup Packet Documentation Guidance

Ordinance 2014-02 in the Villages' Code of Ordinances outlines procurement guidelines by expenditure thresholds. A&M has provided examples of required documentation that should be included in the backup scanned to Tyler at the purchasing price points is listed below.

Purchases less than \$5,000

- Purchase order signed by the Department Head, Finance Director, and Village Manager
- Invoice
- Confirmation for goods/services received

Purchases between \$5,000 and \$15,000

- Price quotes from no less than three businesses or;
- Supplier that is on the current approved vendors list or;
- A Vendor who has been selected in a competitive process within the last 24 month period by another governmental entity or public agency in the State of Florida and said award is still in effect
- Invoice
- Confirmation for goods/services received

Purchases over \$15,000

- List of proposed vendors
- Proposal for selected vendor
- Resolution by the Commission that passes the purchase
- Invoice
- Confirmation for goods/services received

O. Cash Management Process Review Detail

The Village Hall houses operations for processing licenses, permits, fees and charges for services, as well as the US Postal Service. Most staff at the Front Desk perform functions to support both the Village and US Postal Service operations, regardless of official position title. Much of the management of physical cash happens at the Village Hall Front Desk. A&M has identified a recommended cash management process divided between the front desk staff and finance staff.

#	Observation	Recommendation	Prioritization
1b	The key to the locked cash drawer is located unsecured the same desk the locked drawer is located	Ensure that the key to the locked drawer is located in a safe where each employee who is authorize to access the safe does so using a different combination. Change safe combinations on a regular basis.	High
1b	Cash collected by all front desk employees and post office employees is kept in the same drawer	Each front desk staff engaged in collecting cash should maintain a separate locked bag or drawer for cash that is collected through out the day. Additionally, each staff person should only process cash receipts in Tyler using their own login.	Medium
1b	The vault is currently being used as a storage closet for miscellaneous items such as snacks and office supplies	Ensure that there is appropriate use of village resources to safeguard cash and other valuable documents.	Low
2a	At the end of the day front desk employees separate out and count cash and then put in a clear sealable bag	A Finance staff member should be validating cash at the end of each day Final check for the amount of cash deposited for the day should be from someone outside of the front desk operations, potentially the Finance Director or Village Clerk/Manager.	Medium
4	The Village currently does not have a set threshold policy in place for when to deposit cash and checks received into the bank. Historically, the village has deposited cash to the bank by police escort when it hits ~\$600 threshold range.	The Village document clear thresholds for when cash should be deposited within the Cash Management policy.	Low

P. Budget Process Responsibilities

Currently, the Town does not have a well-documented and consistent budgeting process. **A&M recommends that the Village adopts a comprehensive budget policy**, with a structure that holds departments accountable for performing within budgetary constraints.

		First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Current Process	Depts.	<ul style="list-style-type: none"> Limited budget activity 	<ul style="list-style-type: none"> Limited budget activity 	<ul style="list-style-type: none"> Limited budget activity 	<ul style="list-style-type: none"> Provide budget requests, along with supporting data, and an estimate of all municipal projects pending or requested for the budget year and the five succeeding years.
	Finance	<ul style="list-style-type: none"> Limited budget activity 	<ul style="list-style-type: none"> Limited budget activity 	<ul style="list-style-type: none"> Limited budget activity 	<ul style="list-style-type: none"> Coordinate budget workshop with departments Compile Adopted Budget package
	Manager	<ul style="list-style-type: none"> Limited budget activity 	<ul style="list-style-type: none"> Limited budget activity 	<ul style="list-style-type: none"> Limited budget activity 	<ul style="list-style-type: none"> Submits budget at least sixty days prior to the beginning of fiscal year Reviews and revises the revenue and expenditure estimates and presents to the Commission for adoption by September 30th
Recommended Process	Depts.	<ul style="list-style-type: none"> Work with their team to identify the implications of the strategic priorities on their budget needs for the upcoming fiscal year and five succeeding years. 	<ul style="list-style-type: none"> Submit initial revenue/expense budgets for the upcoming fiscal year and infrastructure and equipment needs over the next five years in the Capital Improvement Plan to Finance 		<ul style="list-style-type: none"> Partner with Manager, Finance, and other department leadership work through final revisions to the Preliminary Budget
	Finance	<ul style="list-style-type: none"> Meets with leaders from other departments to set expectations for the budget process 	<ul style="list-style-type: none"> Conducts due diligence on budget requests 	<ul style="list-style-type: none"> Works with department leadership to review budget requests Presents budget recommendations to the Manager 	<ul style="list-style-type: none"> Work with departments and Manager on final budget revisions Compile Adopted Budget package
	Manager			<ul style="list-style-type: none"> Solicits insights from the Citizens Budget Oversight Board Recommends revisions of the Tentative Budget to Finance 	<ul style="list-style-type: none"> Supports Commission process to adopt the budget by August 31st for the following fiscal year

Q. Debt Service Levy and Accounting Recommendations

In addition to a tax millage for general operations, North Bay Village has a dedicated millage for debt service of outstanding bonds. The Village currently has three series of general obligation bonds outstanding. **Tax revenue from the debt service levy is put in the General Fund with millage for general operations.**

	Debt Service Levy	Debt Service Fund
Current Process	<ul style="list-style-type: none"> Property Appraiser for Miami-Dade County certifies the taxable value for the current tax year Within 35 days of certification, the Village must furnish to the Property Appraiser the proposed millage rate, the current year rolled-back rate, and the date of the public hearings that will be held to consider the proposed millage rate and the tentative budget Commission passes a resolution declaring the proposed millage rate for general operations and the debt service millage, as well as the computed rolled-back rate Public hearing held Village Commission passes a resolution adopting the tentative millage for general operations and the proposed voted debt service millage. 	<ul style="list-style-type: none"> When taxes are levied, all tax revenue is paid to the General Fund. Transfers are made to the Debt Service Fund for the amount of that year's debt service payment. If funds levied under the debt service millage are in excess of the debt service payments, the excess funds remain in the General Fund
Recommended Process	<ul style="list-style-type: none"> Funding available in the Debt Service Reserve as a part of the process to determine the mileage required to cover the debt service payment 	<ul style="list-style-type: none"> At the time the resolution is passed for the debt service millage, the Village should work with the Property Appraiser to confirm the amount of the debt service levy based on the taxable valuation. This amount should be documented in the resolution, based on 100 percent collections. At the end of the tax collection periods, all tax revenue associated with the debt service millage should be transferred in their entirety to the Debt Service Fund Partner with auditors and financial advisor to determine the amount of tax revenue raised by the debt service levy in the General Fund that should have been transferred to the Debt Service Fund, and transfer that amount to the Debt Service Fund with the appropriate interest. Incorporate guidance on the process for segregating debt service related tax revenue to the Village's Debt Issuance policy

A&M interviewed associates from a full-service accounting and advisory firm that supports municipal finance outsourcing. A&M's analysis of potential outsourcing costs indicate that **savings associated with outsourcing would likely be minimal relative to the fully-burdened personnel costs for the finance staff.**

What functions will be outsourced? Potential options include:

- Bank Reconciliations
- Disbursement of checks
- Payroll support
- Deposits
- Invoice review
- Supported policy development
- Partner to optimize use of financial systems (e.g. ADP and Tyler-Munis)

The Village will need to maintain a Village employee to lead the Finance Department, likely the recommended Chief Financial Officer, to oversee the contractor and make managerial decisions.

- Potential benefits of outsourcing the Finance function include:
 - Back-up staffing from the contractor's broader employee base
 - Automated/electronic processes (including W-2's)
 - Strong understanding of government accounting
 - Enhanced internal controls and segregation of duties
 - Support for system vendor trainings (including ADP and Tyler-Munis)
 - Enhanced use of automated reporting to support decision making

S. HR Function: Current vs. Recommended State (1 of 4)

A&M recommends the Village re-instate the HR Director Role, with the HR Coordinator providing administrative support. The HR function should be focused on the ten key areas outlined below, supported by the overall organizational strategy and priorities of the Village.

Function	Observation	Recommendation	Prioritization
Policies	<p>The Village maintains HR policies within the employee handbook. Employees are required to sign the Acknowledgement page when they are hired or when changes are made to the handbook.</p> <p>There are no processes to monitor and enforce compliance with established policies.</p>	<p>Enhance the HR policies as identified in Appendix T. Ensure they are reviewed and adopted on an annual basis.</p> <p>Document enforcement actions when employees do not comply with the HR policies. Hold managers and supervisors accountable for monitoring employee compliance with HR policies.</p>	Medium
Recruitment & Hiring	<p>The HR coordinator supports the Village's recruiting process by providing job descriptions, posting positions, and processing resumes.</p> <p>Interview feedback and metrics on the candidates moving through the process are not consistently tracked.</p>	<p>Screen applicants based on the requirements on the job description and advance qualified candidates to interview with the hiring manager.</p> <p>Track feedback received from interviewers through consistent documentation. Additionally, HR should track the status of candidates as they move through the hiring process.</p>	High
Employee Relations	<p>The HR Department does not serve as the central function for employees to raise concerns confidentially.</p> <p>The HR Coordinator manages the Village's special events.</p>	<p>Develop a process for employees to confidentially discuss workplace issues with a HR representative and for the HR Director to partner with the Village Manager to appropriately address any issues.</p> <p>Continue to host special events to support employee moral and team building, as well as citizen engagement.</p>	Medium
Personnel File Management	<p>The HR department maintains personnel files and records. There are a combination of paper and electronic records.</p>	<p>Ensure there is clear guidance on the required security level for various types of employee information and who can access them. All employee files should be maintained electronically.</p>	Medium

S. HR Function: Current vs. Recommended State (2 of 4)

A&M recommends the Village re-instate the HR Director Role, with the HR Coordinator providing administrative support. The HR function should be focused on the ten key areas outlined below, supported by the overall organizational strategy and priorities of the Village.

Function	Observation	Recommendation	Prioritization
Position Control	Position control is maintained with the Village Manager, however there are instances where the observed organizational and reporting structure varies from what is documented.	<p>Create department level organizational charts to clearly document structure and reporting lines.</p> <p>Notify employees in writing immediately of reporting structure changes and update organizational charts within ten business days.</p>	Medium
Salary Administration	The HR coordinator validates salary information for new hires, raises, and promotions and enters in the information in ADP to connect with payroll.	<p>Analyze potential new hire salaries to ensure they are in line with current employee compensation, based on tenure and experience, before an offer is made.</p> <p>Continue to track and update information on employee salaries and other compensation in ADP.</p>	Medium
Benefits	<p>There is not a clear assignment of the benefits administration responsibility.</p> <p>The Village works with a broker to acquire health insurance benefits for employees. Workers' compensation is acquired through the League of Cities.</p> <p>The Village has higher than average health/medical insurance costs, workers compensation costs, and other benefits.</p>	<p>Determine whether the HR Director or the Finance Director should serve as the Village's Benefits Administrator.</p> <p>Develop processes for the Benefits Administrator should partner with the broker to ensure that the Village is getting the best rate for insurance benefits.</p> <p>Monitor employee health/medical insurance rates and benefits as well as workers compensation claims. Other benefits such as stipends for cell phones, cars, and longevity pay should also be reviewed.</p>	Medium

S. HR Function: Current vs. Recommended State (3 of 4)

A&M recommends the Village re-instate the HR Director Role, with the HR Coordinator providing administrative support. The HR function should be focused on the ten key areas outlined below, supported by the overall organizational strategy and priorities of the Village.

Function	Observation	Recommendation	Prioritization
Payroll Administration	<p>The payroll function is handled mainly by the Finance Department.</p> <p>The HR Coordinator supports payroll by entering information for new employees.</p>	<p>Designate the HR Director as the Payroll Administrator to provide general oversight of the process and ADP, as well as provide support to the Finance Department. The HR Coordinator should continue to support the payroll process by entering new employees and changes in salary or position.</p>	Medium
Performance Evaluation	<p>Performance evaluations are conducted annually on the employee's anniversary date for the current position.</p> <p>Performance ratings are not consistently tracked.</p> <p>Supervisors do not consistently document instances when employee performance does not meet expectations.</p>	<p>Include goal setting and mid-year reviews to the performance evaluation process. Goal setting should take place at the time of the year-end evaluation or within three months after the employee's anniversary. Mid-year reviews should take place six months after the anniversary date.</p> <p>Track results of the performance evaluation process to ensure ratings and personnel actions are consistent with the employee's performance throughout the fiscal year. This data should also be used to structure employee's professional development goals.</p> <p>Establish a process to report and track employees who consistently perform below expectations. Employees who do not meet expectations should be provided a performance improvement plan with reasonably timing to achieve the expected level of performance.</p>	High

S. HR Function: Current vs. Recommended State (4 of 4)

A&M recommends the Village re-instate the HR Director Role, with the HR Coordinator providing administrative support. The HR function should be focused on the ten key areas outlined below, supported by the overall organizational strategy and priorities of the Village.

Function	Observation	Recommendation	Prioritization
Training	<p>There is no required training for Village employees. Each department has a budget for training, but there is not a consistent process for determining the appropriate employee-specific training.</p> <p>Training completed by employees is not consistently tracked or integrated into the performance evaluation process.</p>	<p>Establish required training as outlined in Appendix U and a process for determining employee-specific training.</p> <p>All training completed by employees should be tracked against their goals for the year. Alert supervisors of employee who are out of compliance with required trainings.</p>	High

T. Human Resources Policies

The Village's Employee Handbook provides documentation for the key HR policies. There is no regular cadence for reviewing the Employee Handbook. **A&M recommends that the Village establish a process for monitoring and enforcing compliance with HR polices. Policies should be reviewed and adopted by the process outlined in the Finance Operational Assessment.**

Scale: ○ (No policy present) to ● (Policy in line with best practices)

Policy	North Bay Village Policy Status	Employee Handbook Section	Opportunities to Improve
Employment Classifications	●	2.1 – Definitions, Classifications, Job Descriptions and Pay Plans	In line with best practices.
Leave of Absence and Time Off Benefits	●	ABSENCES AND LEAVE HOLIDAYS AND VACATIONS	In line with best practices.
Meal and Break Periods	●	3.2 – Work Week	In line with best practices.
Use of Village Equipment	●	1.5 – Computer, Email, Internet Use, and Social Networking 1.18 – Use of Village Vehicles	In line with best practices.
Anti-Harassment and Nondiscrimination	◐	1.3 – Equal Employment Opportunity 1.6 – Sexual Harassment	State that retaliation against employees reporting infractions is prohibited.
At-Will Employment	◐	Acknowledgement Page	Clarify who has the authority to change the terms of employment and the process for amendment.
Employee Conduct, Attendance, and Punctuality	◐	1.4 – Drug and Alcohol Policy Statement 1.15 – Violations of Personnel Rules/Regulations 5.1 – Attendance DEMOTIONS, SEPARATIONS, REMOVALS AND RESIGNATIONS	Add a section to outline potential conflicts of interest and the process for reporting this should one arise during employment. Add zero tolerance policy for workplace violence.
Safety and Health	◐	1.17 – Work Related Injury 5.4 – Service Connected Injury/Workers Compensation Benefits	Identify health and safety programs and training for employees in safety-sensitive roles.
Immigration Law Compliance	○	No existing language	Indicate compliance with employment eligibility rules and requirement for US legal work authorization.

U. Training and Development Details

There are currently no required trainings for Village employees. Employees are provided with limited guidance on training they should pursue, despite departmental budget allocations for training. The majority of employee training is not consistently tracked.

Training	Purpose	Prioritization
Village Charter & Code of Ordinances	Ensures awareness of any changes in the Charter and Code of Ordinances following the annual review and adoption process.	Medium
Ethics Compliance	Informs employees of the Village's ethics policies, including conflicts of interest and gifts, to reduce potential for ethical violations.	High
IT Security Awareness	Reminds employees on potential threats to information security, including phishing, unauthorized downloads, and sharing confidential information.	High
Occupational Health and Safety	Outlines opportunities to keep employees safe and avoid work injuries. Could be held in conjunction with current CPR training.	Medium
Purchasing Procedures	Provides guidance to all employees who have authority and/or responsibility in the procurement process to make sure they understand: <ul style="list-style-type: none"> • Requirements and various spending thresholds • Full procure to pay life cycle, and their role in the process • Functions in the Tyler system that support the procurement process and how to use them effectively 	High
Tyler U and other system trainings	Provides guidance to all employees with financial authority and/or responsibility to how to effectively use the Tyler system to support budgeting and finance functions	High
Conferences	Supports employees in learning best practices from peers across the country, as well as leading professional organizations, to bring opportunities for improvement back to the Village. Conference to consider include: <ul style="list-style-type: none"> • Government Finance Officers Association • International City Management Association • League of Cities • Society of Human Resource Management 	Low

V. Recruiting Process Improvements (1 of 2)

A&M reviewed the Village’s recruiting process and identified a number of recommendations to increase consistency and transparency in hiring new employees.

#	Observation	Recommendation	Prioritization
1	There is not a clear and consistent process by which Department Heads identify new hiring needs	HR, in conjunction with the Village Manager, should develop a standard process for requesting a new hire. This should include documentation to outline the personnel need, whether it is a new role or backfilling an existing position, and analysis supporting available budget for the position. This packet would be presented to the Village Manager to approve initiation of the hiring process.	Medium
3	The Village uses the Miami Herald for job posting, as required by State statute, in addition to other traditional job boards. However, job postings often result in a lack of qualified candidates in the applicant pool.	HR should work with Department Head to identify the best places to post jobs, including relevant professional organizations. The Village should also consider building relationships with local colleges and universities for internships to support the talent pool.	High
4	There is not a consistent process for screening resumes submitted through the Village’s job posting to eliminate candidates that do not meet the minimum job requirements.	At the end of the job posting period, HR should review all resumes received to identify candidates where the experience and qualifications best match the requirements of the job. The selected resumes should then be forwarded to the Department Head for the first round of interviews.	Medium
6	There is not a consistent method for tracking the results of candidate interviews.	HR should develop standard interview feedback summary forms that are flexible enough to support a variety of functions. These forms ensure that the results of all interviews can be accurately compared before a hiring decision is made.	High

V. Recruiting Process Improvements (2 of 2)

A&M reviewed the Village’s recruiting process and identified a number of recommendations to increase consistency and transparency in hiring new employees.

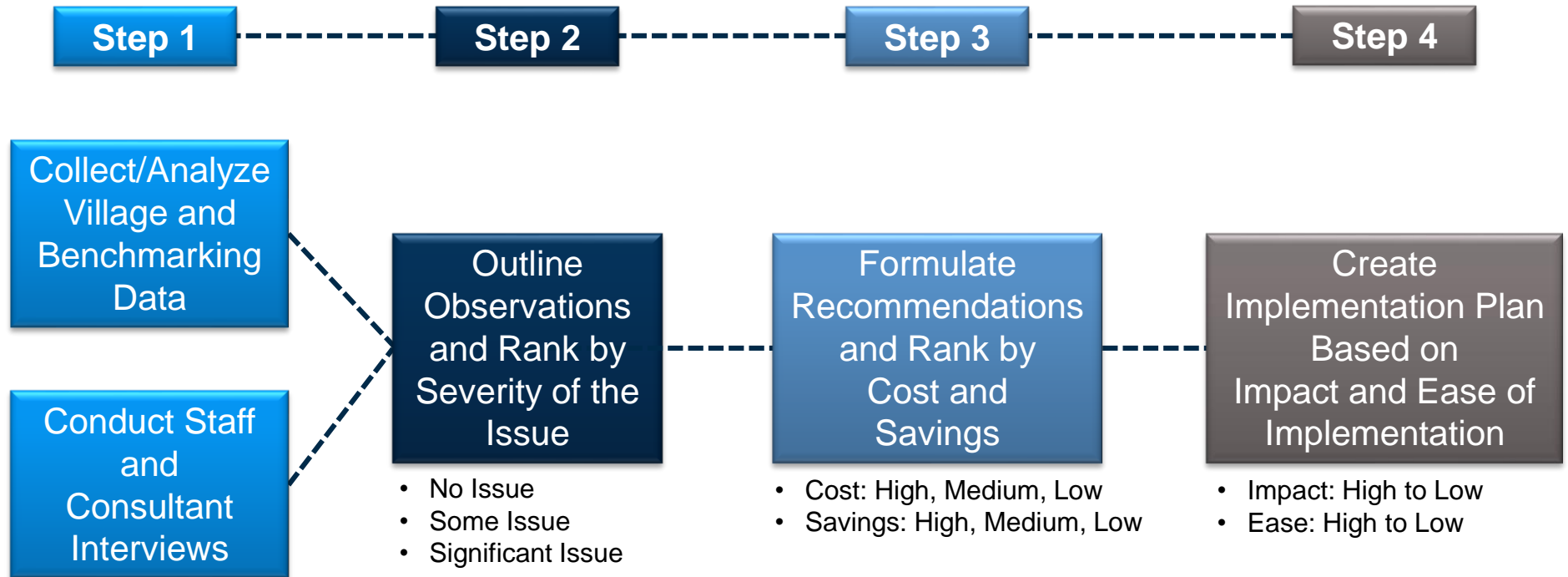
#	Observation	Recommendation	Prioritization
9	While the final hiring decision lies with the Village Manager, there is not a consistent process for the Village Manager and Department Heads to collaborate before a hiring decision is made.	After the Village Manager has conducted final interviews with the candidates that have advanced through the recruiting process, he or she should meet with the Department Heads to ensure alignment of Village and departmental priorities in the hiring decisions. Having documented interview feedback summaries will help to support these discussions.	Medium
10	The methods of communication with candidates through the recruiting process is unclear.	HR should actively manage communication with candidates throughout the recruiting process. This include scheduling of interviews, extending offers, and timely rejection of candidates.	Medium

W. Performance Management Process Detail

A&M recommends that **the Village establish a holistic performance evaluation process** that encompasses **setting expectations, monitoring performance, and evaluating performance.**

Setting Expectations	Monitoring Performance	Evaluating Performance
<p><i>Occurs during the 1st Quarter of the Fiscal Year; official goal setting documents are submitted by December 31st</i></p>	<p><i>Occurs throughout the fiscal year; official mid-year reviews are submitted by April 30th</i></p>	<p><i>Occurs at the end of the fiscal year; official year-end performance evaluations are submitted by September 30th</i></p>
<ul style="list-style-type: none"> Supervisors meet with employees to establish goals for the fiscal year in light of their performance for the prior year and the departments strategic priorities and goals for the current fiscal year. Employees review their job description to identify any discrepancies. Supervisors work with employees to identify training requirements for the fiscal year. Employees should complete a goal setting form that is reviewed and signed off on by the Supervisor. 	<ul style="list-style-type: none"> Supervisors should offer real-time feedback to employees throughout the fiscal year to support the employee’s professional development and goals. Employees should actively monitor their progress toward goals and training requirements. Supervisors should solicit feedback from other Village personnel that interact with their employees to gain a well-rounded view of each employees’ performance. Employees should complete a self-assessment of their progress toward current goals and identify any new goals for the remainder of the fiscal year. Supervisors should review the employee self-assessment and identify key opportunities for development in the mid-year review documentation. 	<ul style="list-style-type: none"> Employees should complete another self-assessment toward the end of the fiscal year that addresses their progress toward goals and training requirements. Employees should also start to think about their goals for the next fiscal year. Supervisors should review the employee self-assessment and document key strengths and areas of development opportunities in the year end performance review. Supervisors should review the results of the performance evaluations of the employees on their team with the Village Manager, along with and promotion and/or merit increase recommendations.

Methodology



Approach

- During the eight-week department operational assessment, A&M identified recommendations and opportunities for improvement that could improve the Departments being assessed.
- The A&M team met with staff and consultants in the Departments assessed to understand the current operations of the Department and develop implementable recommendations as part of a roadmap to enhance the overall operations of each Department assessed.

X. Benchmark Municipalities for Department Assessments

A&M identified eight peer municipalities comparable to North Bay Village in population, budget, social, economic, and geographic similarities. These peer municipalities are used throughout the report to benchmark key Department activities. Peer municipalities are arranged below based on the size of the General Fund budget.

	Municipality	Population	Median Household Income	Total Budget (All Funds)	General Fund Budget	Full Time Employees
	North Bay Village	8,973	\$55,308	\$19.8M	\$8.7M	88
	Benchmark Municipality Averages	8,500	\$75,693	\$33.4M	\$18.9M	116
1	Bay Harbor Islands	5,826	\$67,092	\$23.3M	\$9.4M	67
2	Bal Harbor	2,924	\$70,641	\$27.0M	\$16.0M	79
3	Miami Shores	10,761	\$117,188	\$26.5M	\$16.3M	205
4	Longboat Key*	6,934	\$102,348	\$37.4M	\$16.5M	117
5	South Miami	12,645	\$62,305	N/A	\$19.2M	137
6	Miami Springs	14,217	\$58,605	\$23.7M	\$20.5M	128
7	Surfside	5,814	\$73,241	\$44.2M	\$26.2M	103
8	Marathon	8,877	\$54,196	\$58.4M **	\$27.5M	97

* Longboat Key's nearest metro area is Sarasota. For the rest of the municipalities the nearest metro area is Miami.

**Marathon's budget excludes 31.9 million dollar stormwater and wastewater funds

Sources: 2017 Census Population Estimates, FY2019 Adopted Budgets, 2017 CAFRs

X. Overview of Department Assessment




Summary By Department

Department	Level of Issues	Department Head	Staffing	Benchmarking
Building Building, Planning and Zoning	●	No functional Department Head	Data and observations indicate staff levels appear appropriate	Favorable performance compared to benchmarks
Police Police, Code Enforcement, and Fleet	●	Interim Department Head	Data indicates initial need to reallocate staffing resources before considering new hires	Mostly favorable performance compared to benchmarks
Public Works Roads, Parks, Minibus, Sanitation, and Utilities	●	Acting Department Head but no position funded in the current Budget	Data does not provide clear staffing indicators but there is potential to outsource some work	Insufficient data to determine performance
Village Manager	●	Interim Manager	Potentially understaffed given no Assistant or Deputy Manager	No Data Points Analyzed
Village Clerk	●	New Clerk hired 3/12/19	Potentially understaffed with no Deputy Clerk	Insufficient data to determine performance
Village Attorney	●	Seeking new Attorney RFPs being reviewed	Attorney will staff accordingly	Most benchmark municipalities outsource legal services

● No Significant Issue ● Moderate Issue ● Significant Issue







Y. Summary of Building Department




With no Department Head and no communication planning between staff and consultants, the Building Department could benefit from identifying a Department Head (or an individual to act in that capacity) for better overall management and leadership. Third party contracts should be rebid for best pricing. Given observed workloads, benchmarking data, and heavy use of consultants, Department appears to be staffed appropriately.

Item Reviewed	Observations	Recommendations	Cost	Savings
Department Head 	<ul style="list-style-type: none"> CAP identified as Department Head but does not function as Department Head in terms of staff management and providing inputs into budget/procurement processes 	<ul style="list-style-type: none"> Identify a Building Department Head for administrative management and integrate into budget/procurement processes 	<ul style="list-style-type: none"> Low 	<ul style="list-style-type: none"> Medium
Staff 	<ul style="list-style-type: none"> Contracts for CAP and Larue over 5 years old Customer service and KPIs are not tracked effectively or reported One Building and Zoning Clerk and two consultants for Building (CAP) and Planning & Zoning Services. (LARUE) Roles and Responsibilities of staff are well defined Staff not participating in annual training 	<ul style="list-style-type: none"> Rebid CAP and LARUE contracts for best pricing Technology assessment to build out more data capture and tracking on the website Develop SOPs and communication plan between staff and consultants Provide monthly reports to Commission and upload to website for transparency Enhance training and development opportunities for staff 	<ul style="list-style-type: none"> Low Medium Low Low Low 	<ul style="list-style-type: none"> Medium Low Low Low Low
Benchmarking 	<ul style="list-style-type: none"> Department appears to perform within acceptable range of benchmarking averages based on work output per employee 	<ul style="list-style-type: none"> Better capture and analyze KPIs to understand Department performance 	<ul style="list-style-type: none"> Low 	<ul style="list-style-type: none"> Low

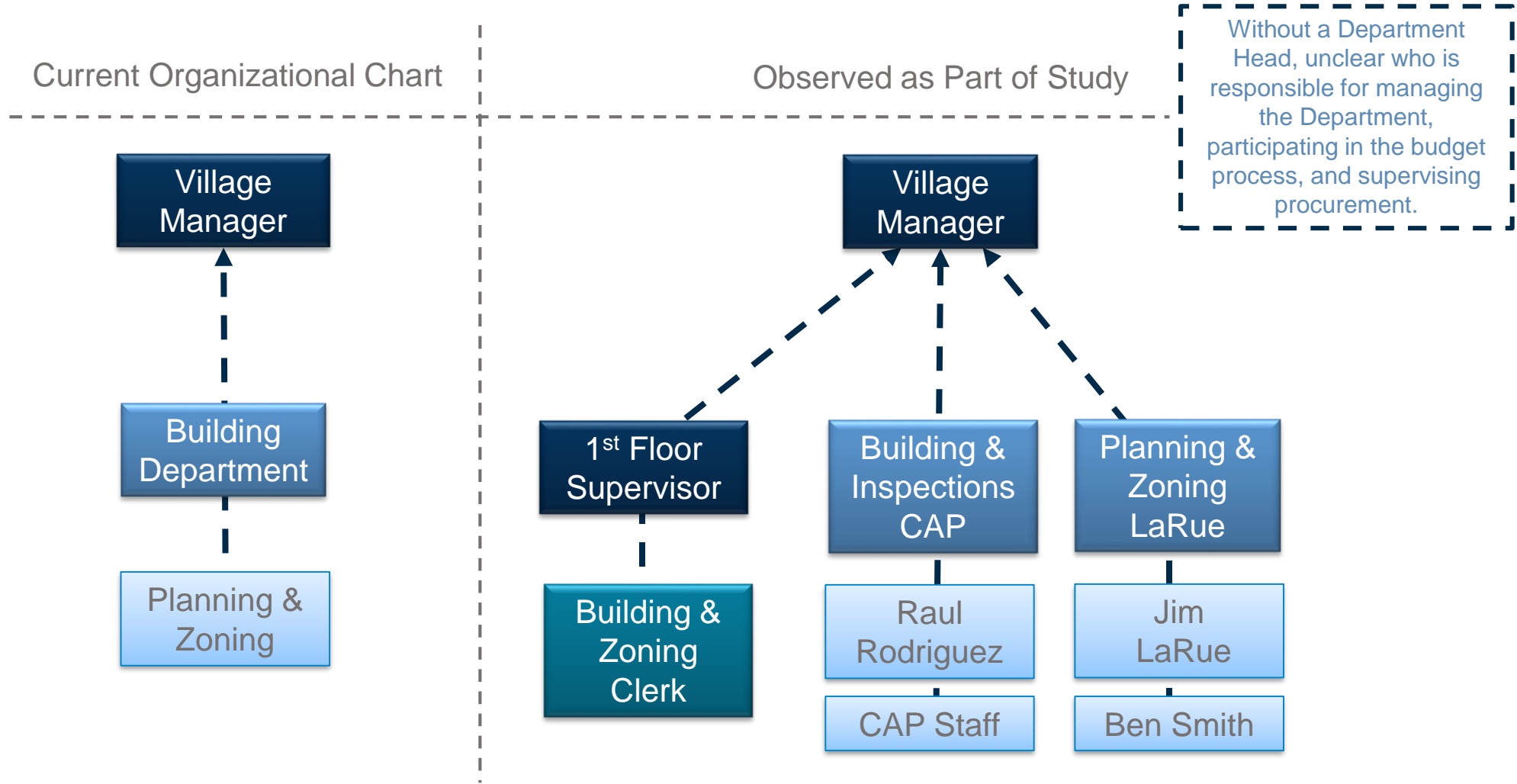
Context

- The Village Building Department is comprised of a Building & Zoning Clerk and two consulting firms – CAP Government for building services and Larue Planning for zoning and land use services. There are approximately 3.5 Full Time Equivalents (FTE) in the Department that includes Village staff (1 FTE) and consultants (2.5 FTEs).
- Unlike many benchmarking communities, Code Enforcement is located in the Police Department.
- FY2019 Budget for the Department totaled \$575,578 of which 16% was spent on Village personnel and the remaining spent on contracts.

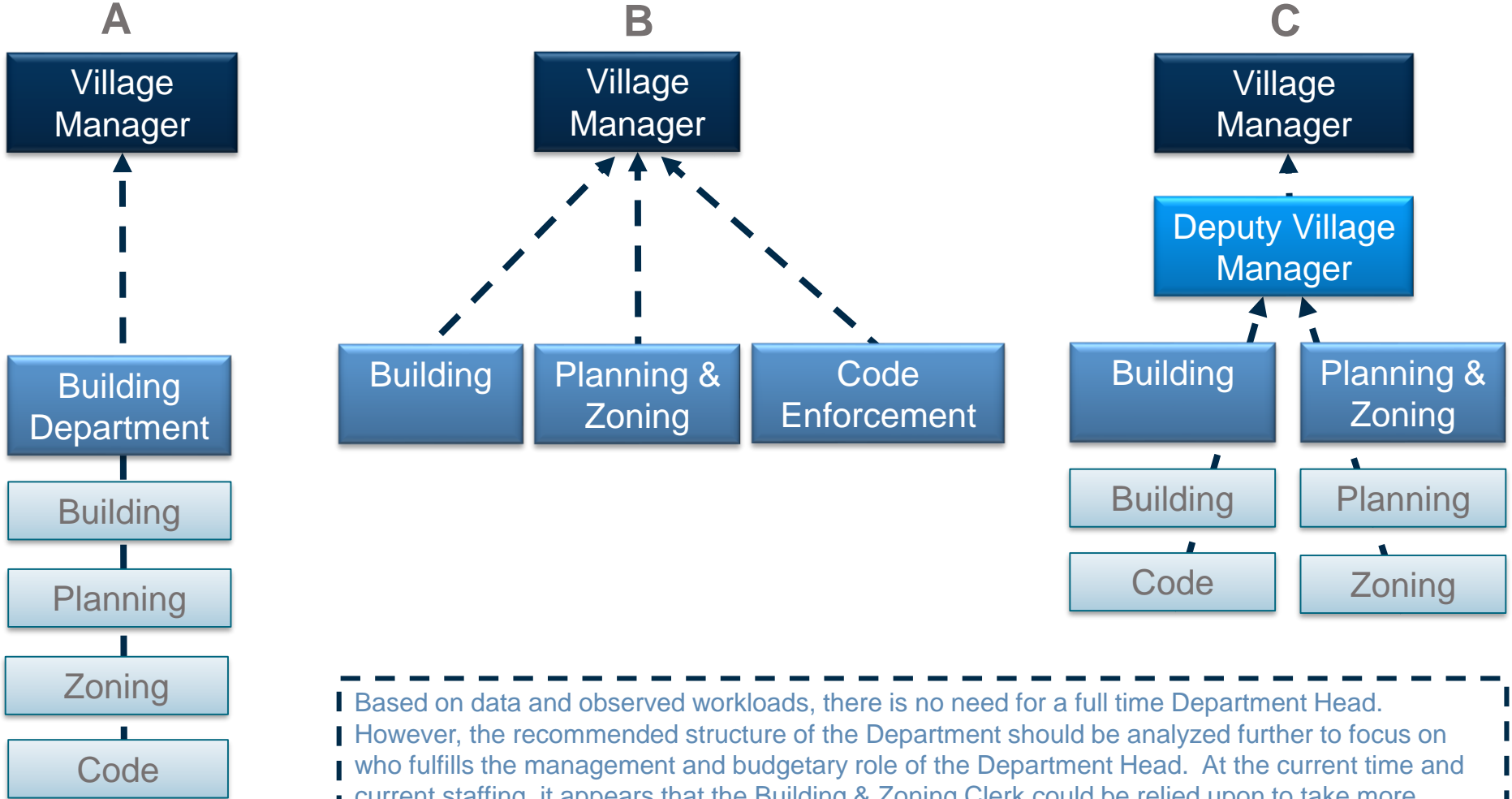
#	Observation	Indicator
3.1	With no Department Head, it is unclear as to who is responsible for day-to-day management of the Department, including staff management/development, having input into the budget process and supervising procurement.	
3.2	Contracts for CAP and LaRue are both over five (5) years old. Without customer service data, there is no clear indicators on their level of service.	
3.3	Interviews indicated Roles and Responsibilities are well defined, however there are no established Standard Operating Procedures or defined communication plan between staff and consultants. Consultants' communication with Village Manager has varied leading to potential inefficiencies.	
3.4	Department staff is not participating in annual training and benefiting from the development of the role.	
3.5	Customer Service and Key Performance Indicators data do not appear to be tracked. Data is tracked in terms of quantity of outputs but data collected should be tied to performance. It should be noted that benchmark cities do collect Building Department data as well but few track customer service or KPI metrics.	
3.6	On average, Department handles 67 building permits, 153 building inspections, 82 building plan reviews, and 25 planning/zoning items per month. 4 FTE complete this work for an average of 980 actions per year. This compares to benchmarking data of a range between 800 and 1,000. Given the available data, the Department appears to be within range of peer communities in terms of completing work on a per employee basis. It should be noted also that CAP and LaRue are only engaged where there is work to be completed.	

 No Significant Issue Observed
  Some Issue Observed
  Significant Issue Observed

Overview



Overview - Alternative Department Structures



Based on data and observed workloads, there is no need for a full time Department Head. However, the recommended structure of the Department should be analyzed further to focus on who fulfills the management and budgetary role of the Department Head. At the current time and current staffing, it appears that the Building & Zoning Clerk could be relied upon to take more responsibilities for budgeting and procurement and report directly to the Village Manager.

Full Time Equivalent Calculation

Job Duties and Functions	Building (FTE)	Planning & Zoning (FTE)	Total (FTE)
Clerk	0.5 (staff)	0.5 (staff)	1.0 (staff)
Building Official	0.5 (consultant)		0.5 (consultant)
Other Building Duties			1.0 (consultant)
TOTAL	2.0	1.5	3.5

In an attempt to make comparisons to benchmarking communities, a full time equivalent (FTE) calculation was made to determine how many FTEs are in the Building Department. According to the Table above, there are 2.0 FTEs in the Building function of the Department and 1.5 FTEs in the Planning and Zoning function of the Department.

Consultant Benchmarking

North Bay Village contracts CAP Government for Building Services and LaRue Planning for Planning and Zoning. Both contracts are over five years old.

CAP Government Contracts

Municipality	Fees for Service
North Bay Village	<ul style="list-style-type: none"> Building permit fees less than \$75,000 <ul style="list-style-type: none"> CAP 70% Village 30%
City of Aventura	<ul style="list-style-type: none"> Building permit fees less than \$65,000 <ul style="list-style-type: none"> CAP 70% City 30%
Town of Cutler Bay	<ul style="list-style-type: none"> Building permit fees less than \$50,000 <ul style="list-style-type: none"> CAP 70% Town 30%

LaRue Planning Contracts

Municipality	Fee/Hour
North Bay Village	\$125
Benchmark Average	\$130
City of Estero	\$135
City of Sanibel	\$125
South Miami	\$140
Key West	\$135
Cape Coral	\$125

Municipality	Inspection Fee / Hour
North Bay Village	\$75
Benchmark Average	\$74
Ft. Lauderdale	\$85
Doral	\$70
Wellington	\$65
Marco Islands	\$75

A review of CAP contracts shows that the average fee per hour for inspections in peer municipalities is \$74. North Bay Village pays approximately the same amount at \$75 an hour.

A review of the LaRue contracts shows that the average fee per hour for the municipal benchmarks is \$130. North Bay Village pays below the average amount by \$5 per hour.

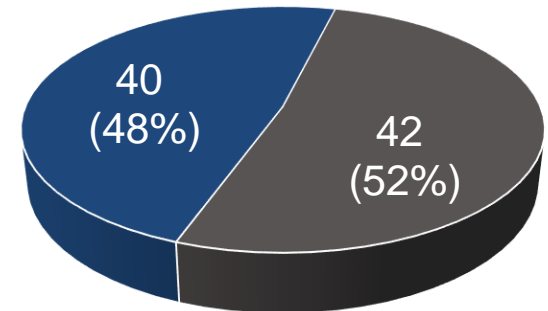
Sources: CAP and LaRue Contracts With Indicated Municipalities

Performance Data – Building Services

- The Building & Zoning Clerk receives all customers at the first floor location, answers all calls, and provides customer service in terms of providing guidance and direction as to the appropriate actions to take to obtain building plan reviews and building inspections.
- The Tables to the right outlines average monthly Building activities performed by CAP:
 - 154 monthly inspections (average 1,848 annually)
 - 54% Residential
 - 46% Commercial/Multi Family
 - 82 monthly building plan reviews (average 984 annually)
 - 51% Residential
 - 49% Commercial/Multi Family
- Given the limited data available, it would appear that the Building Services function of the Department is staffed appropriately given the volume of work at the front desk and CAP is only engaged when there is work to be completed.

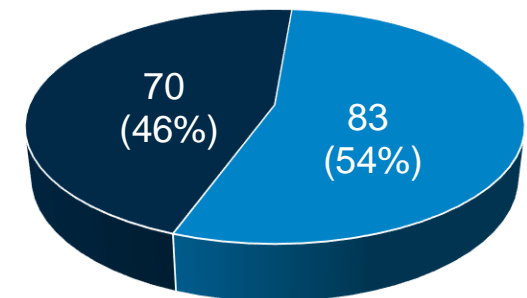
Staff levels and performance appear appropriate since consultant is only engaged when there is work but since there is no traditional Department Head, it is unclear who manages the Department on a day-to-day basis and who directly manages staff and provides input into the budget and procurement processes.

On Average, 82 Monthly Plan Reviews
Oct 18 - Jan 19



■ Commercial / Multi Family ■ Residential

On Average 154 Monthly Inspections
Oct 18 - Jan 19



■ Commercial / Multi Family ■ Residential

Benchmarking Data – Building Permits from 2018

Municipality	Staff (FTE)	Building Permits	Permits Per Employee	Population	Permits Per 1,000 Residents	Households	Permits per 1,000 Households
North Bay Village	2	807	404	8,317	97	3,486	231
Benchmark Municipality Average	9	2,427	289	14,508	191	5,023	520
Surfside	5	1,448	290	5,841	248	2,293	631
Marathon	16	2,819	176	8,877	317	3,436	820
Miami Springs	7	1,767	252	14,454	122	5,371	329
South Miami	4	1,480	370	12,281	120	4,226	350
Miami Lakes	13	4,622	356	31,087	149	9,787	472

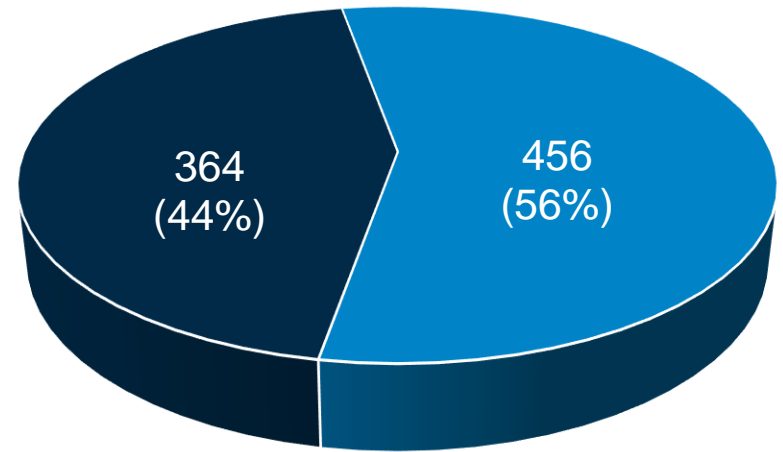
- In this benchmarking analysis, the Village appears to be processing Building Permits at a higher rate on a per employee basis compared to other benchmark communities.
- The Village does not process as many Building Permits compared to benchmarking communities when it comes to permits per 1,000 residents or per 1,000 households.
- CAP is only engaged when there are projects to work on.

The Village performs well on a per employee basis but not as well on a per 1,000 residents or per 1,000 households basis. CAP only engaged when there is work.

Performance Data - Planning & Zoning Services

- The Building & Zoning Clerk receives all customers at the first floor location, answers all calls, and provides customer service in terms of providing guidance and direction as to the appropriate actions to take to obtain planning and zoning review.
- The Chart at the right summarizes all of the Planning and Zoning work performed by LaRue Planning in 2018:
 - 364 hours for Applicant Initiated Items
 - 456 hours for Village Initiated Items
 - 820 hours total (2,080 hours in typical yearly FTE position)
- Workload data and the fact that LaRue is only engaged when work requires it appears to indicate a lack of need to hire more full time staff to complete planning and zoning work.

LaRue Planning Activities Summary for 2018 (hours)



- Applicant Initiated
 - Site Plans
 - Special Exceptions
 - Variances
 - Boat Docks
 - Zoning Reviews
- Village Initiated
 - Comprehensive Plan Amendments
 - ULDC Revisions
 - Grant Related
 - Planning & Zoning Inquiries

Staff levels and performance appear appropriate since consultant is only engaged when there is work but since there is no traditional Department Head, it is unclear who manages the Department on a day-to-day basis and provides input into the budget/procurement processes.

Benchmarking Data – Planning & Zoning Actions From 2018

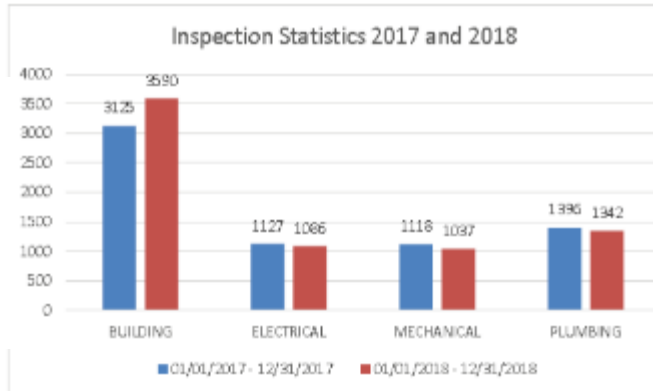
Municipality	Planning and Zoning Actions	Staff (FTE)	P&Z Actions Per Staff	Population	P&Z Action Per 1,000 Residents	Households	P&Z Action Per 1,000 Households
North Bay Village	309	1.5	206	8,317	37	3,486	89
Benchmark Municipality Average	32	1	32	12,045	2.5	4,857	6.5
South Miami	15	1	15	12,281	1	4,226	4
Gulf Shores	48	1	48	11,809	4	5,488	9

- Response data from benchmark communities is lacking due to (1) many of the benchmark communities did not respond to this piece of data (2) they do not tracking this type of performance data or (3) they track it differently.
- Given the available data, the Village performs very well in comparison to benchmark communities on a per employee basis and processes actions more on a per 1,000 resident and per 1,000 household basis.
- LaRue Planning is only engaged when there are items to work on.

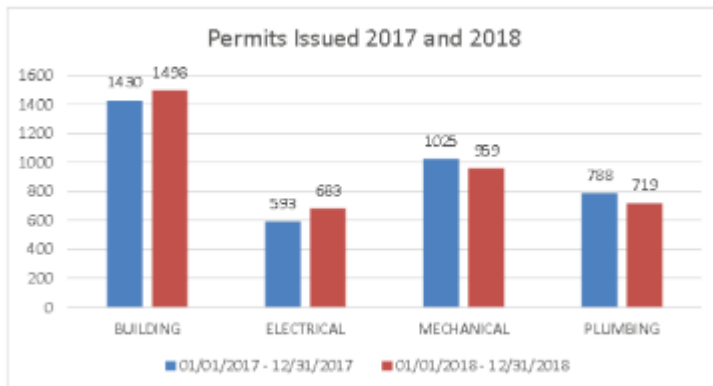
Benchmarking data for this analysis is not sufficient to draw signification conclusions but LaRue Planning is only engaged when there is work.

Benchmarking – Best in Class Reporting

LONGBOAT KEY PLANNING, ZONING, BUILDING DEPARTMENT
INSPECTION STATISTICS JANUARY THROUGH DECEMBER (2017 AND 2018)



LONGBOAT KEY PLANNING, ZONING, BUILDING DEPARTMENT
PERMIT STATISTICS JANUARY THROUGH DECEMBER (2017 AND 2018)



WELCOME TO THE BUILDING DEPARTMENT!

Home ▶ Departments ▶ Building ▶ Home



Forms

Download all major Building Department forms, including the Building Permit Application.



Request an Inspection

Use our eTRAKIT online portal to schedule and request an inspection.



Today's Inspections

View all inspections scheduled for today with an approximate time and result.



View Plan Review

Use this link to access our online eTRAKIT portal and access the plan reviews.



Search Permit

Use our eTRAKIT online portal to search for permits and determine their status.



Elevation Certificates

Use this to obtain your elevation certificate to determine if your property is in a flood zone.

Source: Miami Lakes Building Department Website

- The Building Department should strive to collect KPI data such as length of time it takes to process applications, how long they are in the Village's hands versus how long they are in applicants' hands, and customer service surveys.
- Monthly reports should also be prepared that allows for tracking of Department performance and uploaded to the Village website for greater transparency into Department performance.
- More customer tracking options for applications should also be integrated into the Village website.

The Building Department will benefit greatly from identifying a functional Department Head who needs to manage the Department on a day-to-day basis. While rebidding the 3rd party contracts will help confirm current market pricing, the Village needs to identify a leader of the Department to manage staff development, and engage in the budget and procurement processes. The Village website should also provide greater insight into the status of current projects/permits/applications.

Top Priorities

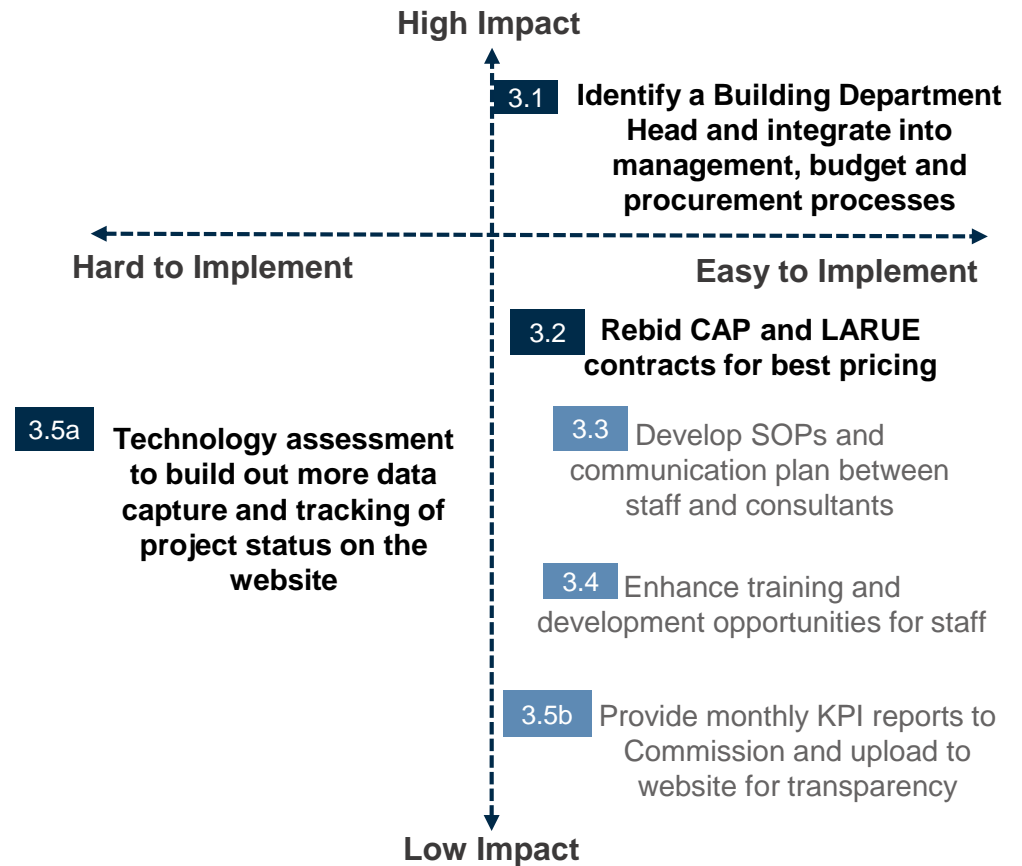
Identify Building Department Head “function to manage day-to-day operations of the Department

Rebid Cap and LaRue contracts for best pricing and develop communication plan between staff and consultants

Complete technology assessment to understand costs to integrate more functionality on the Village website to track project/application/permit status




Recommendations Matrix

■ Priority Recommendations












Z. Summary of Police Department


The Police Department currently has an Interim Police Chief. Given available data from Department and benchmark municipalities, the Department performs relatively well in areas like Clearance Rates. Data also indicates that the Department likely needs to reallocate staff between Divisions before new hires are considered

Item Reviewed	Observations	Recommendations	Cost	Savings
Department Head 	<ul style="list-style-type: none"> Interim Police Chief with no timeline to name permanent Chief 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
Staff 	<ul style="list-style-type: none"> Supervisors are entering and approving officers' timesheets Many areas still rely on paper-based data entry Roles and Responsibilities are clear and SOPs are established. Record maintenance appears to follow appropriate protocols An informal dispatch review indicated wait time is on average six minutes shorter compared to regional dispatch Department fleet is leased through Enterprise and maintained by Miami Beach. 	<ul style="list-style-type: none"> Segregate actions of entering and approving timesheets Work with CIS vendor to move towards a more paperless Department Ensure all Department employees are trained on ADP 	<ul style="list-style-type: none"> Low Medium Low 	<ul style="list-style-type: none"> Low Medium Low
Benchmarking 	<ul style="list-style-type: none"> Police - Officer staffing per 1,000 inhabitants is 2 officers less than peer municipalities on average. Police - Officer staffing per 1,000 inhabitants is .3 less than the national average for cities of similar size. 	<ul style="list-style-type: none"> Review current staff allocation between divisions and reallocate to meet ICMA 'Rule of 60' between patrol and support divisions. 	<ul style="list-style-type: none"> Low 	<ul style="list-style-type: none"> Medium

Context

- The North Bay Village Police Department is comprised of 27 sworn officers, and 9.5 civilians
- The Patrol Operations Division is compromised of three different shifts; day, afternoon, and midnight each of which include one sergeant, one corporal, and five officers
- The Support Operations Division includes a Criminal Investigations Unit, Special Investigation Units, Communications, Police Dispatch, Crime Scene & Forensics, Property & Evidence, and Records
- FY2019 Budget for the Department totaled \$5,504,250 of which 86% was spent on personnel

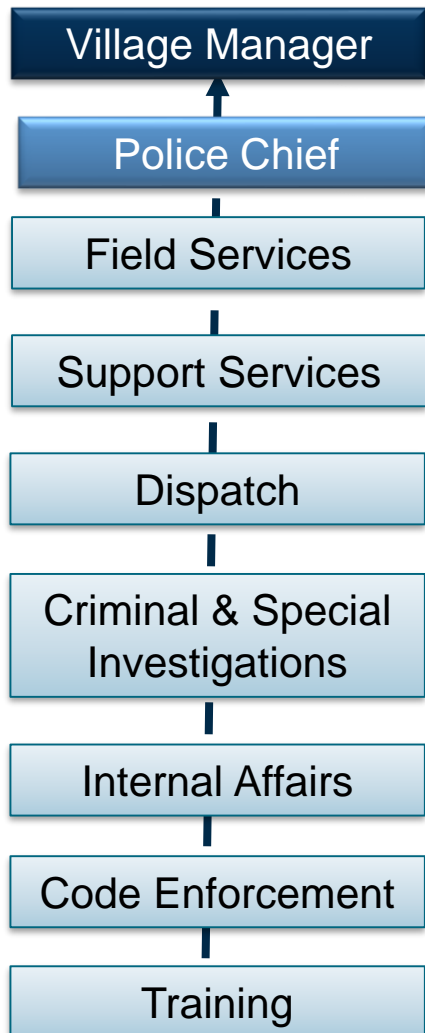
#	Observations	Indicator
3.8	Supervisors are currently entering and approving police officers time and there appears to be confusion as to the proper use of ADP codes.	
3.14	Officer staffing per 1,000 inhabitants is 2 officers less than peer municipalities on average.	
3.15	Officer staffing per 1,000 inhabitants is 0.6 less than the national average for cities with populations less than 10,000.	
3.9	A technology assessment has not been completed recently and many areas such as entry system for evidence and sworn statements are still paper-based.	
3.7	There is an Interim Police Chief with no indication if/when a permanent Chief will be named.	
3.10	According to interviews, Roles and Responsibilities are well defined and there are established Standard Operating Procedures within the Department.	
3.12	An informal dispatch review was conducted in the recent past to determine wait time is on average six minutes shorter when civilians contact the non-emergency North Bay Village dispatch center.	
3.11	Record maintenance (entering, storage and disposal) follows protocols set forth in State and Federal guidelines.	
3.13	The Police Department fleet is currently outsourcing maintenance of vehicles to Miami Beach.	

 No Significant Issue Observed
  Some Issue Observed
  Significant Issue Observed

Z. Police Department

Overview

Current Organizational Chart



Observed as Part of Study



Fleet Management for the entire Village is now handled by one sworn officer on a part time basis in the Police Department

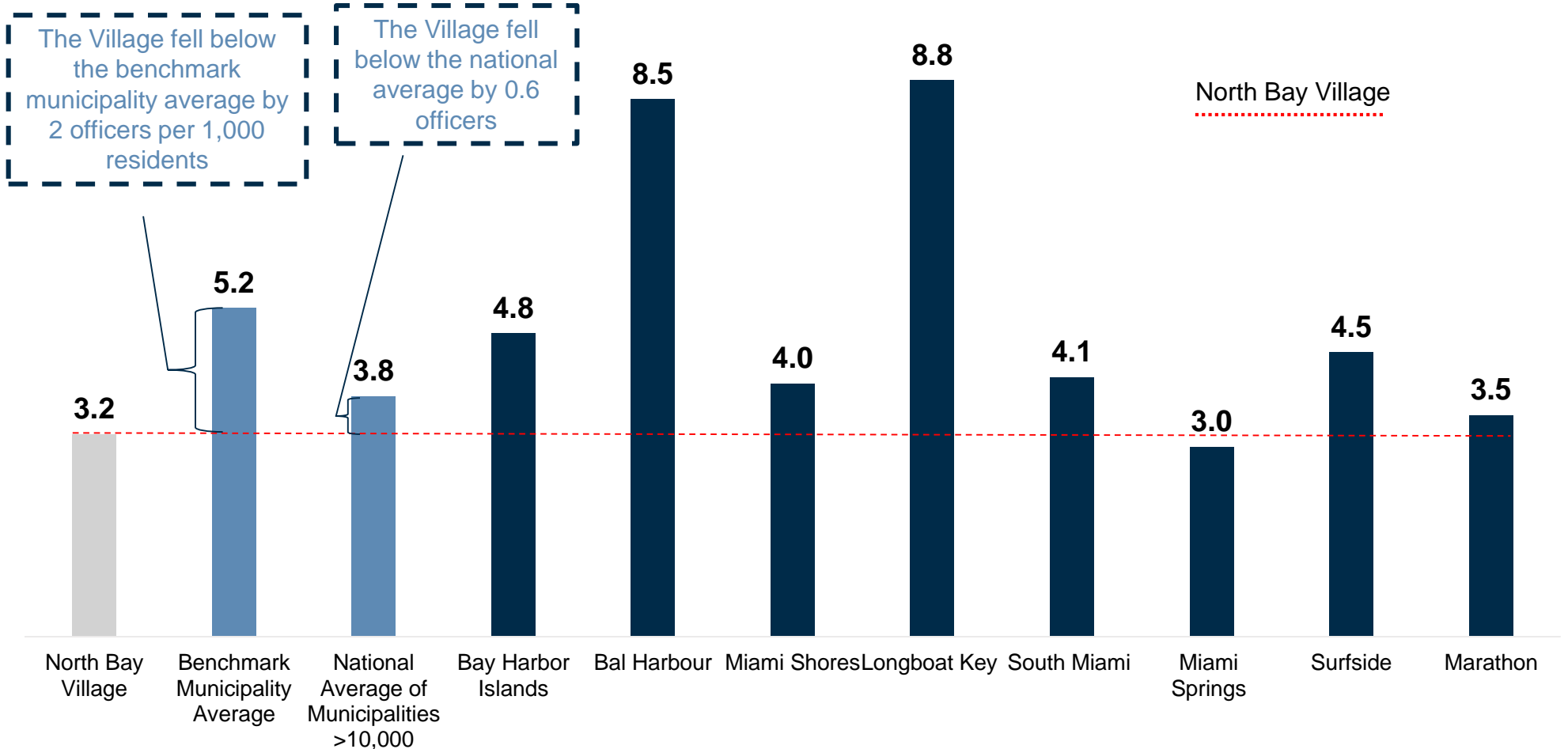
Separate Review

Separate Review

Z. Police Department - Staffing

Police Officers per 1,000 Residents

Police Officers / 1,000 Residents



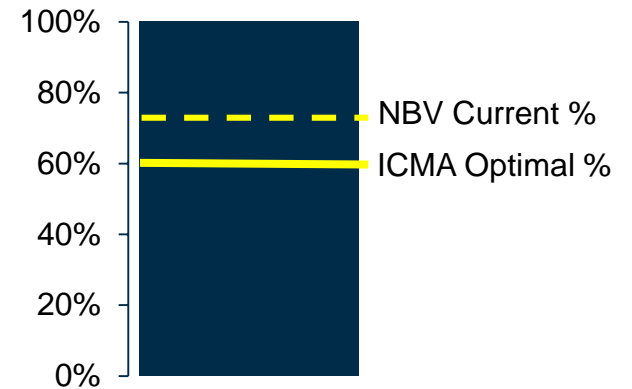
Source: [2017 FBI UCR Crime Report, Table 71](#)

Rule of 60 Guidelines

The International City/County Management Association (ICMA) has developed 'Rule of 60' guidelines to evaluate police department staffing. These guidelines help answer the questions of "Are there enough officers?" "Are they assigned in the right units?" "Are we responding to the demand from the community in an appropriate fashion?" For details on Rule of 60 guidelines please see the next page.

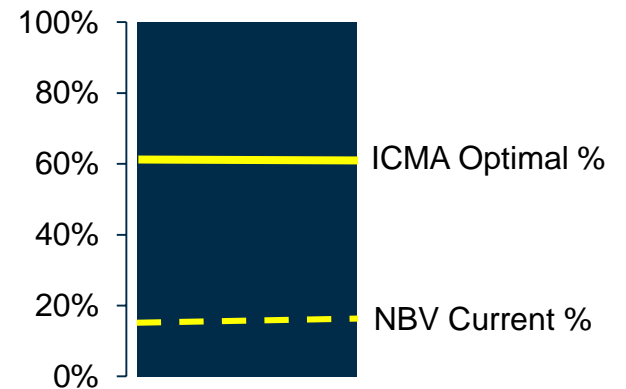
1. There should be approximately 60 percent of the total number of sworn officers in a department assigned to the patrol function

Current State	Recommended State
According to personnel data available from the Police Department, of the 27 full-time sworn police officers 20 are full-time patrol officers. 74 percent of the Village's sworn officers are full-time patrol officers.	If over 60 percent, this indicates too many resources are being dedicated to patrol functions or conversely not enough officers assigned to other units. ICMA recommends that the amount of officers assigned to patrol should remain just below 60 percent.



2. The average workload for patrol staffing should not exceed 60 percent, this means no more than 60 percent of patrol time should be committed to responding to calls for service

Current State	Recommended State
In 2017, there were 26,243 total calls for service that the Police were dispatched to. Of these calls, 4,140 were dispatched calls while 22,103 calls were self initiated by patrol officers. This means that roughly 16 percent of available patrol resources are committed to demands from the community on average.	The ratio of dedicated time compared to discretionary time is optimal at somewhat less than 60 percent. Ratios much lower than 60 percent indicate patrol resources that are underutilized and signal an opportunity for a reduction in patrol resources or reallocation of police personnel.



Rule of 60 – Part 1

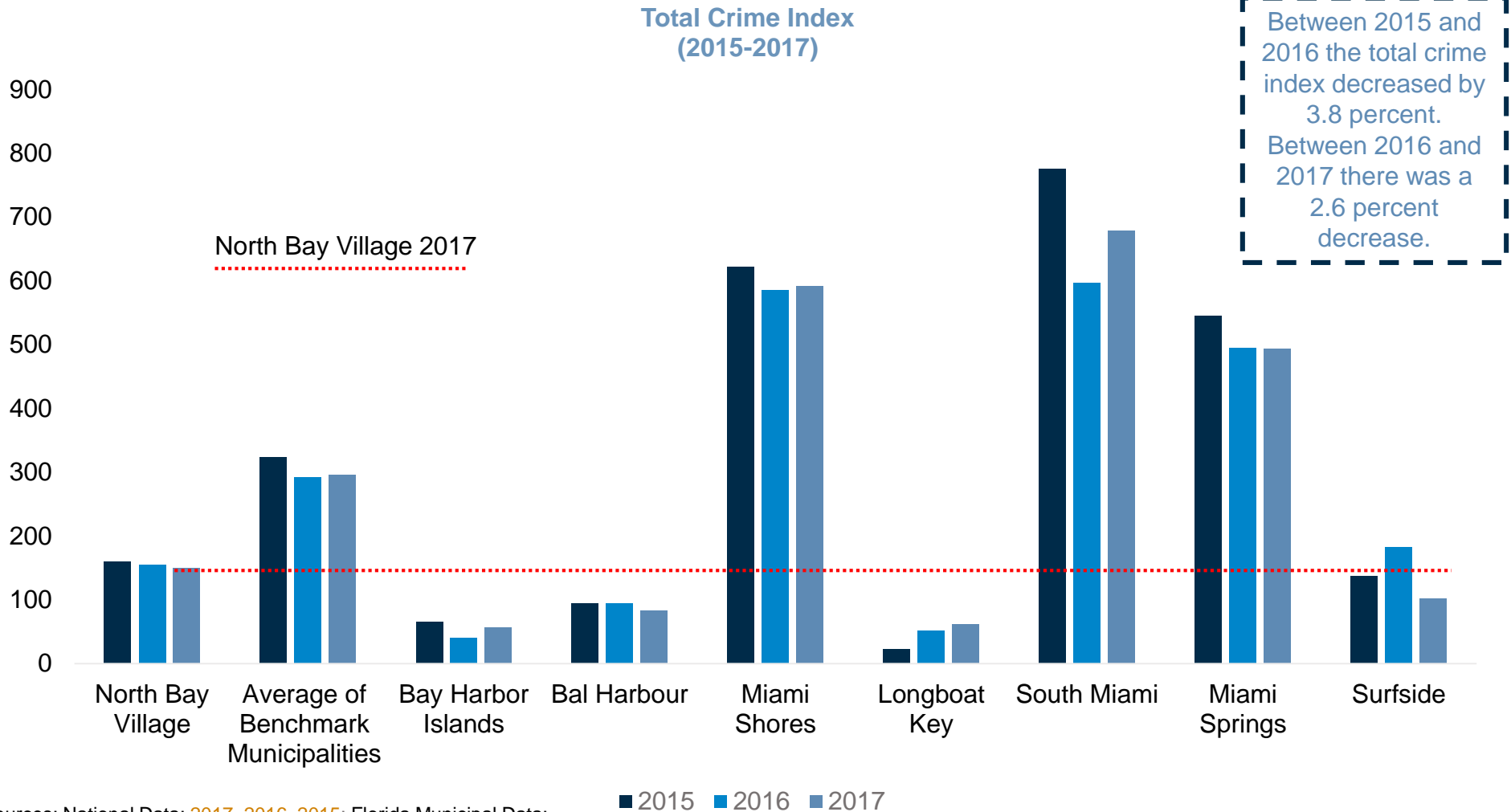
The first part of the Rule of 60 is an assessment of the ratio of personnel between patrol and total sworn staffing. ICMA recommends that approximately 60 percent of all sworn officers should be assigned to patrol in a CFS response function. This benchmark will be different for different communities and will likely increase as the department (and community) gets larger. In general, however, this is a useful benchmark to evaluate the personnel allocation in the department. Departments with patrol allocations much greater than 60 percent might indicate an over-investment in patrol (or under-investment in other areas of the organization).

Rule of 60 – Part 2

The second part of the Rule of 60 examines workload and discretionary time and suggests that no more than 60 percent of patrol time should be committed to calls for service. In other words, ICMA suggests that no more than 60 percent of available patrol officer time be spent responding to the service demands of the community. The remaining 40 percent of the time is discretionary time for officers to be available to address community problems and be available for serious emergencies. This Rule of 60 for patrol deployment does not mean the remaining 40 percent of time is downtime or break time. It is simply a reflection of the point at which patrol officer time is saturated by calls for service.

Z. Police Department - Benchmarking

The FDLE collects and reports uniform crime data for each municipality within the state of Florida. Total Crime Index consists of eight crimes designated by the FBI (willful homicide, forcible rape, robbery, burglary, aggravated assault, larceny over \$50, arson, and motor vehicle theft). The below table shows the Total Crime Index for North Bay Village and its peer municipalities.



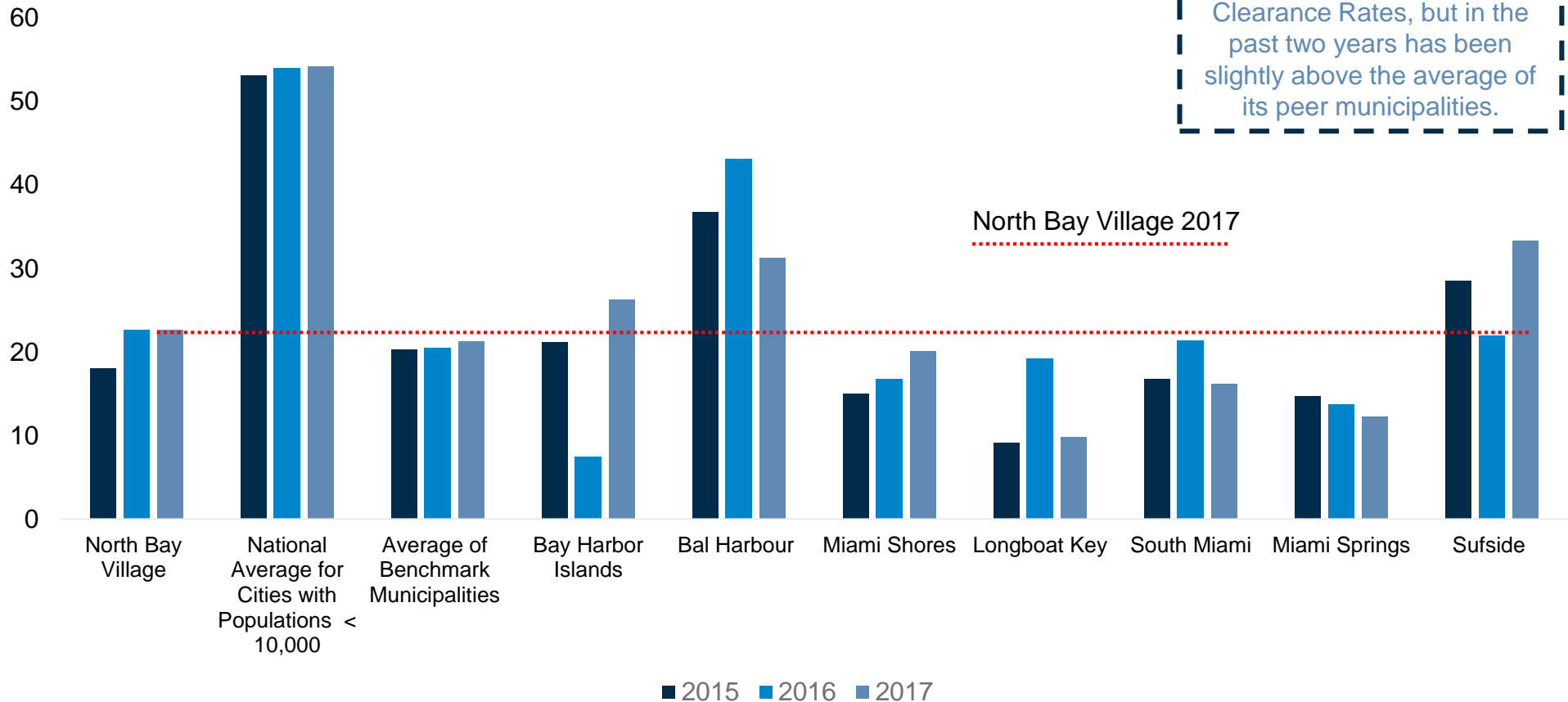
Sources: National Data: [2017](#), [2016](#), [2015](#); Florida Municipal Data: [FDLE UCR Reports](#)

Marathon shares a police department with multiple municipalities and is not included in this benchmarking chart

Z. Police Department - Benchmarking

The FDLE collects and reports uniform crime data for each municipality within the state of Florida. The Clearance Rate is defined as the percentage of the crime cleared of the FBI. The Clearance Rate is obtained first by dividing the number of offenses cleared by the number of offenses known and then multiplying the resulting figure by 100.

Clearance Rate per 100 Offenses
(2015-2017)



North Bay Village is below the National average for Clearance Rates, but in the past two years has been slightly above the average of its peer municipalities.

Sources: National Data: [2017](#), [2016](#), [2015](#); Florida Municipal Data: [FDLE UCR Reports](#)

Marathon shares a police department with multiple municipalities and is not included in this benchmarking chart

Z. Police Department Implementation Plan

The Police Department should focus on analyzing staffing needs across all Divisions and reallocate staff internally before making any new hiring requests. A&M makes no recommendations on naming a new Chief but that decision will also lead to overall improvements in the areas of Department management and inputs into the budget and procurement processes. A technology assessment should also be conducted to identify potential cost savings for processes that still rely on paper inputs.

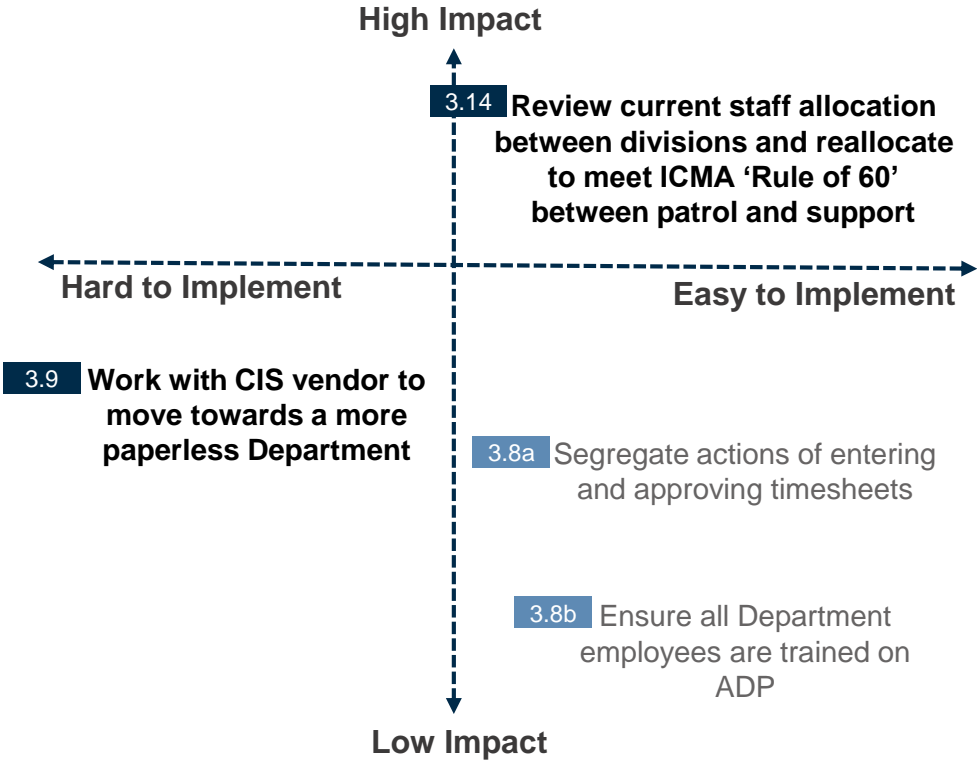
Top Priorities

Review internal Division staffing and make re-allocations to better redistribute staff workloads.

Work with CIS vendor to understand where technology can save time and paper leading to cost savings




Recommendations Matrix

■ Priority Recommendations



Z. Summary of Code Enforcement

Code Enforcement is currently located in the Police Department even though most benchmarking communities have the function located within the Building Department. Given available data, the Division performs well in terms of Code action per employee. Data also indicates Division appears to be staffed appropriately or perhaps needing some levels of administrative support.

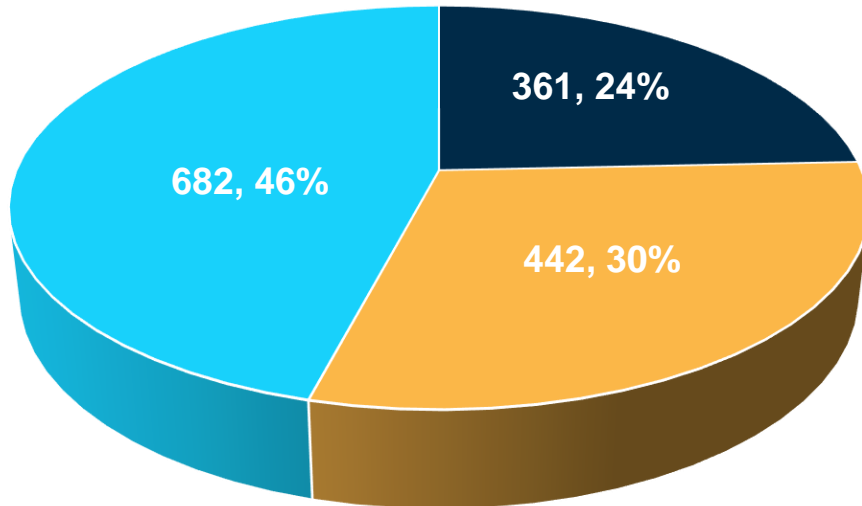
Item Reviewed	Observations	Recommendations	Cost	Savings
Department Head 	<ul style="list-style-type: none"> Current leadership position is open 	<ul style="list-style-type: none"> Appoint lead for Code Enforcement 	<ul style="list-style-type: none"> Low 	<ul style="list-style-type: none"> Low
Staff 	<ul style="list-style-type: none"> Roles and Responsibilities are clear but there are no SOPs Regular reports are not being given to the Commission or uploaded to the website Village Codes were rewritten over 1.5 years ago with no input from Code Enforcement staff There is no direct telephone line to Code Enforcement Adequate training opportunities are not being offered to staff 	<ul style="list-style-type: none"> Develop Standard Operating Procedures Prepare comprehensive monthly activity reports Review the Current Codes to ensure they are up to date Establish direct phone line to Code Enforcement Establish ability to submit and track violations on the website 	<ul style="list-style-type: none"> Low Low Low Low Low 	<ul style="list-style-type: none"> Low Low Low Low Low
Benchmarking 	<ul style="list-style-type: none"> Of 13 peer municipalities reviewed, only 2 maintain Code in the Police Department Department appears to perform near the top of the acceptable range of benchmarking municipalities based on work output per employee 	<ul style="list-style-type: none"> Evaluate potential of moving Code into the Building Department over a longer term period Continue to track Code Enforcement activity but add KPIs such as time it takes to open and close a case 	<ul style="list-style-type: none"> Low Low 	<ul style="list-style-type: none"> Low Low



Z. Police Department – Code Enforcement

Performance Data - Code Enforcement

2018 Code Enforcement by Area of the Village



■ North Bay Island ■ Harbor Island ■ Treasure Island

In 2018, 46% of the 1,485 total Code Enforcement actions took place on Treasure Island which appears logical since this is the largest of the three areas in the Village.

2017 & 2018 Code Enforcement by Area of Village

	North Bay Island	Harbor Island	Treasure Island	Total
2017	280	410	822	1,512
2018	361	442	682	1,485
Change	29%	8%	-17%	-2%

In terms of trends, Code Enforcement actions were down Village-wide 2% in 2018 compared to 2017. North Bay Islands however experienced a 29% increase primarily due to activity around monitoring vacation home rentals. Treasure Island experienced a drop primarily due to street construction activity.

Z. Police Department – Code Enforcement

Benchmarking Data - Code Enforcement Actions in 2018


	Code Enforcement Staff (FTE)	Code Enforcement Actions	Actions Per Staff	Population	Code Action Per 1,000 Residents	Households	Code Action Per 1,000 Households
North Bay Village	3	1,485	495	8,317	179	3,486	426
Benchmark Municipality Average	1.5	420	283	9,890	56	4,288	138
Bay Harbor Islands	2	1,101	551	6,006	183	2,474	445
South Miami	2	540	270	12,645	43	4,226	128
Longboat Key	1	120	120	7,292	17	3,820	31
Miami Springs	1	144	144	14,454	10	5,371	27
Gulf Shores	1	317	317	11,809	27	5,488	58


- In this benchmarking analysis, the Village appears to be engaging in Code Enforcement activities at a volume that is one of the highest compared to other benchmark communities on a per employee, per 1,000 population, and per 1,000 household basis based on data from 2018.
- In 2019, North Bay Village is down to two Code Enforcement staff which would now place the Department at the top of the range in terms of code actions per staff (743 actions per staff). Given the increase in workload, there is a potential need for some administrative support.

The Village performs well on Code Enforcement actions on a per employee and per 1,000 residents and per 1,000 households basis.

Z. Police Department – Code Enforcement

Benchmarking – Best in Class Reporting

 Cases Opened by Type and Status City of South Miami Date Range Between 1/1/2018 and 12/31/2018			
18-00038	Wilfred Hall	6440 SW 63RD TER	
1/18/2018	MINIMUM HOUSING	0940250391530	MATT CHILDERS NATALIA ANDRADE
9/7/2018	Unassigned	CASE CLOSED	
CE observed wood fence in need of repairs. CCIN 3028			
18-00039	Wilfred Hall	6441 SW 64TH ST	
1/18/2018	MINIMUM HOUSING	0940250391640	KENNETH M BAILEY & W LINDA C
7/17/2018	Unassigned	CASE CLOSED	
CE observed wood fence in need of repairs. CCIN 3029			
18-00037	Wilfred Hall	5829 SW 73RD ST	
1/20/2018	OUTDOOR SEATING AND DINING	0940360220260	MARK RICHMAN PROPERTIES INC
3/30/2018	Unassigned	CASE CLOSED	
CE observed tables and chairs on side walk at restaurant that is no longer in operation. CCIN 3030			

 TOWN OF LONGBOAT KEY			
CODE ENFORCEMENT STATS (DECEMBER 2018)			
Violation Type	Cases Opened	Cases Closed	Inspections Completed
Building	2	1	8
Property Maintenance	10	14	70
Rentals	7	6	10
Sea Turtle Protection	0	0	0
Signs	4	4	4
Stormwater	3	1	17
Vessels & Waterways	0	0	1
Zoning	3	2	10
TOTAL:	29	28	120
Civil & CEB Remedy		Total Cases	
Civil Citations		6	
Code Enforcement Board		0	
Permits Reviewed		Total Permits	
Special Events		0	
Fertilizer Management		Total Applications	
Commercial Fertilizer Applications Reviewed		58	

- The Code Enforcement Department should strive to collect KPI data such as time it takes to open and close cases and the amount of time actions are under staff responsibility and time under violator responsibility.
- Continue to prepare monthly and yearly activity reports that allows for improved tracking of Department performance.
- Monthly reports should be shared with the Commission and uploaded to the website for greater transparency and insight into Department performance.
- More functionality should be added to the Village website that allows for tracking of case status and violation reporting.

Z. Code Enforcement Implementation Plan

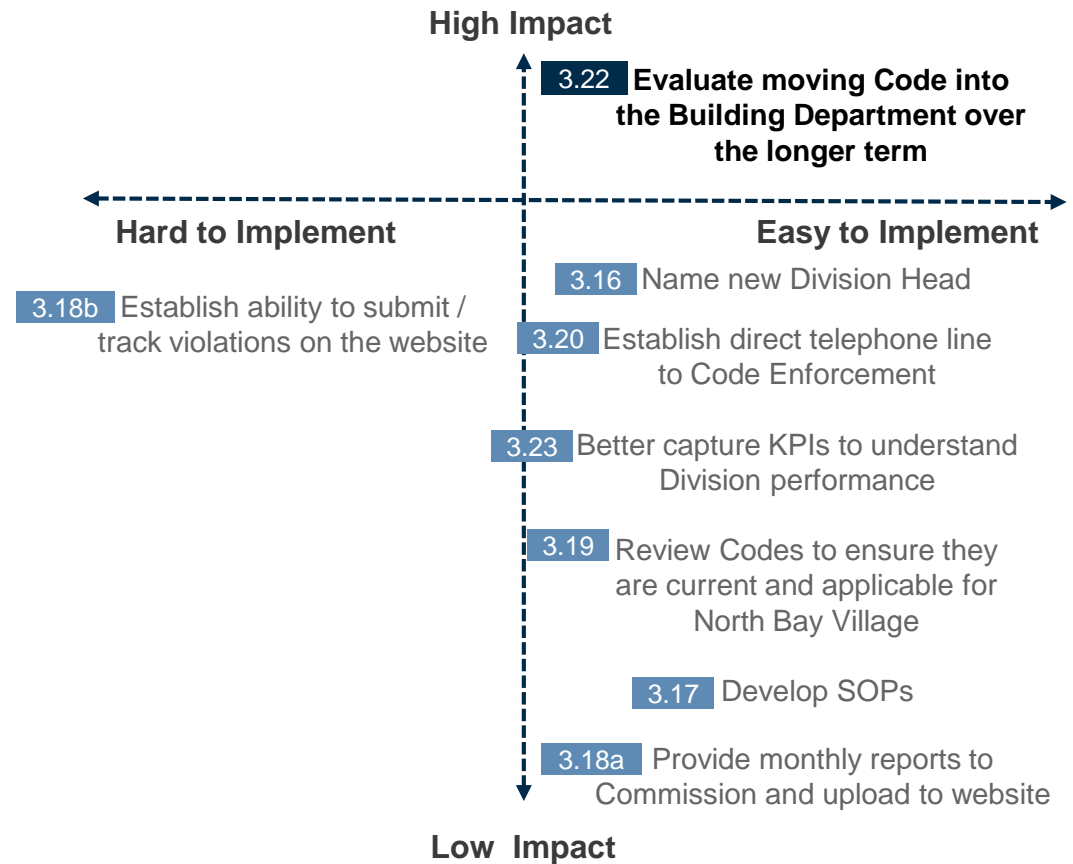
Ideally, Code Enforcement would be moved into the Building Department. However, the Village needs to identify a Building Department Head before this decision should be contemplated. At the same time, Code Enforcement should focus on capturing better Key Performance Indicators to track and analyze performance.

Top Priorities

Evaluate moving Code Enforcement into Building Department over a longer term and only after Building Department leadership position is clarified




Recommendations Matrix

■ Priority Recommendations









Z. Summary of Fleet

Fleet Management is currently being conducted on a part-time basis by staff in the Police Department. The fleet is leased through Enterprise and maintained by Miami Beach fleet services. Given the size of the fleet, a full time position is not required but it is recommended that a professionally trained part-time fleet manager is maintained by the Village at all times.

Item Reviewed	Observations	Recommendations	Cost	Savings
Department Head 	<ul style="list-style-type: none"> Fleet managed on a part time basis by staff in the Police Department 	<ul style="list-style-type: none"> N/A 		
Staff 	<ul style="list-style-type: none"> Fuel purchases are tracked via WEX by Finance but the data relies on manual inputs. The fuel purchase policy is also not well defined Roles and Responsibilities are clear but no SOPs for Fleet Management All vehicles are leased from Enterprise and maintained by Miami Beach Fleet Department Efforts have been taken to consolidate fleet. Size of fleet indicates need for professional fleet management and ongoing training. 	<ul style="list-style-type: none"> Define fuel purchase policy and better track correlation of fuel usage to vehicle utilization via WEX and GeoTab. Develop SOPs Monitor quality of service from Miami Beach. Prepare monthly and yearly vehicle utilization reports. Set aside budget for staff training. 	<ul style="list-style-type: none"> Low Low Low Low Low 	<ul style="list-style-type: none"> Medium Low Low Low Low
Benchmarking 	<ul style="list-style-type: none"> KPIs only recently collected and could be improved upon to generate better reporting. 	<ul style="list-style-type: none"> Continue to track usage by miles and hours driven to better understand vehicle utilization. Once quality utilization data exists, evaluate usage of pooled vehicles. 	<ul style="list-style-type: none"> Low 	<ul style="list-style-type: none"> Low

Context

- The North Bay Village fleet includes:
 - Police: 47 vehicles, 1 boat and trailer, and 1 motorcycle and trailer.
 - Public Works: 10 vehicles and 4 garbage trucks
- All vehicles are leased through Enterprise and maintained by Miami Beach Fleet Department.
- Fleet is being managed by one staff member who is performing the duties part time as they are a sworn officer in the Police Department.
- Finance Department also monitors fuel data from WEX system.

#	Observation	Indicator
3.25	Fuel purchases are monitored by Finance Department via WEX but many data points rely on manual inputs such as odometer reading. Fuel purchases do not appear to be closely monitored in relationship to utilization (mileage, hours driven, odometer reading) and the fuel purchase policy is not well defined.	
3.26	Interview indicated Roles and Responsibilities are well defined but there are no SOPs.	
3.30	Some KPI data is being tracked but not enough for fleet of this size. For example vehicle utilization in terms of mileage and hours driven has not been tracked in the past but has started recently.	
3.27	All vehicles are leased from Enterprise and maintained by Miami Beach Fleet Department.	
3.28	Efforts have been taken to consolidate fleet – limited makes and models.	
3.29	Given the size of fleet, a separate full time position is not needed at this time. However, because fleet management requires expert knowledge and experience, it is recommended that the function of managing the Village's fleet remain a recognized job function and include ongoing personnel training and KPI evaluation.	

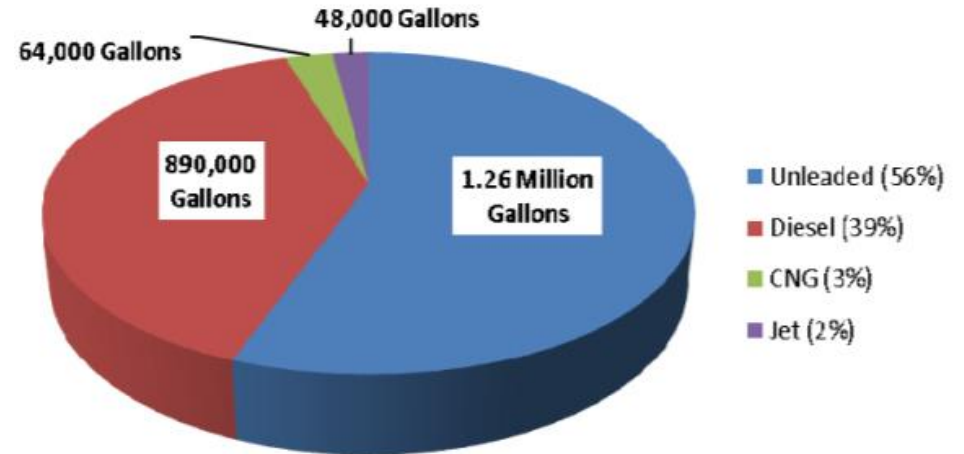
 No Significant Issue Observed
  Some Issue Observed
  Significant Issue Observed

Benchmarking - Best In Class Reporting

- While the Village fleet may be relatively small, monthly and annual reports should be completed by Fleet Manager for Commission review and uploaded to the Village website.
- KPIs such as fuel purchases per vehicle and vehicle utilization should be included in these reports to help the Village understand how to best manage costs.

Sample Reporting

FY15 Fuel Purchases (2.26 Million Gallons)



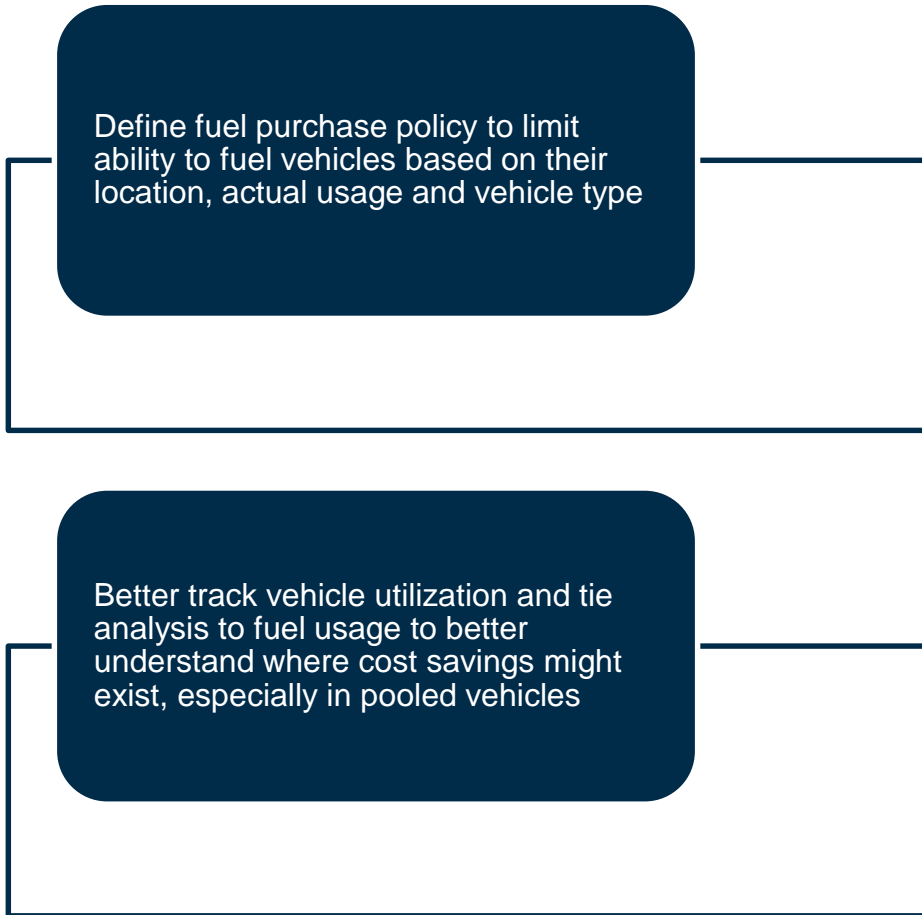
Total Annual Miles Driven



Z. Fleet Implementation Plan

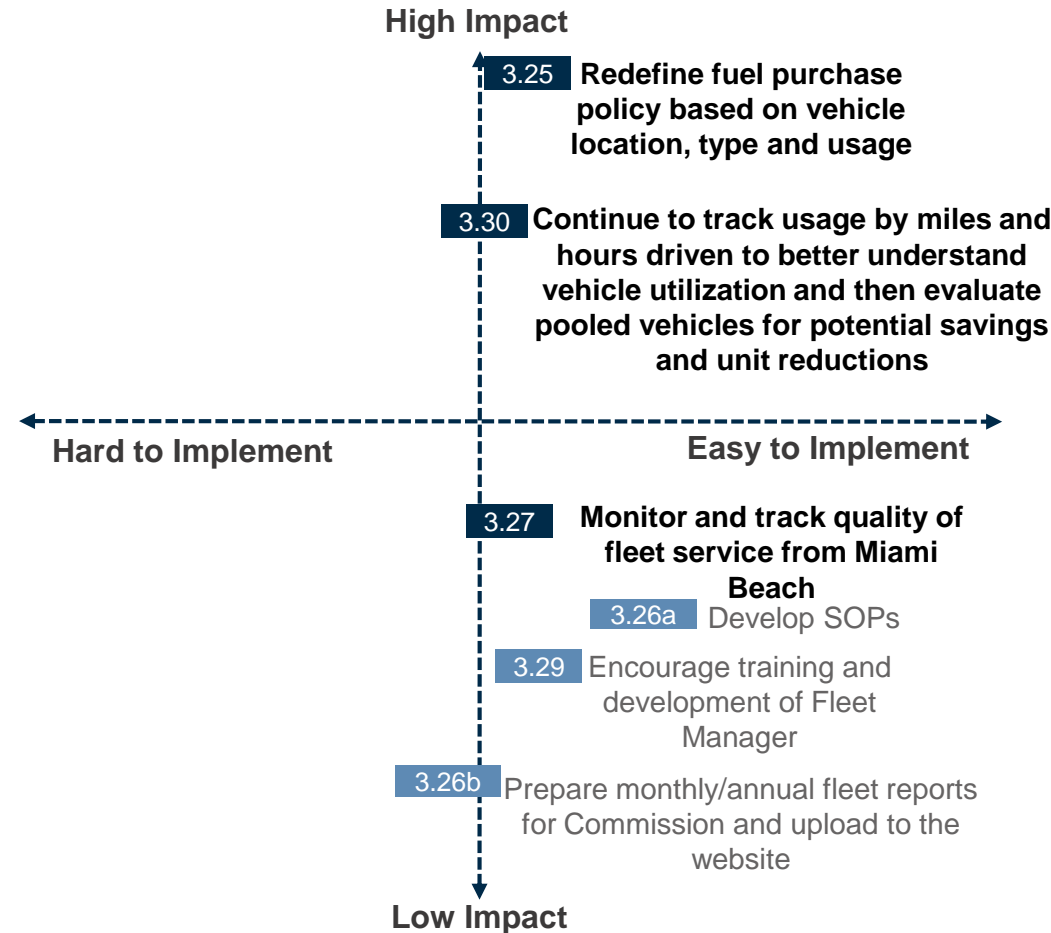
The top priority of the Fleet Division should be to redefine the fuel purchase policy to make sure the ability of staff to purchase fuel is limited to the need of the specific vehicle. At the same time, a fuel purchasing program should be created with local providers so fuel purchases can be better tracked. Given the size of the fleet, better data should be tracked and analyzed for long term fleet right-sizing.

Top Priorities






Recommendations Matrix

■ Priority Recommendations











AA. Summary of Public Works Department




With no budget for a Public Works Director, it is not clear how much the Acting Director is administratively managing the Department including staff management and providing inputs into the budget and procurement processes. KPI data is not readily available so appropriate levels of staffing are difficult to ascertain. Available data indicates that sanitation services should be bid out to determine if there are acceptable cost savings and the minibus service should be evaluated for viability.

Item Reviewed	Observations	Recommendations	Cost	Savings
Department Head 	<ul style="list-style-type: none"> Acting Director not engaged with management/budget or procurement for Department 	<ul style="list-style-type: none"> Hire a Professional Engineer (PE) certified Director with strong budgeting and management skills 	<ul style="list-style-type: none"> Medium 	<ul style="list-style-type: none"> Low
Staff 	<ul style="list-style-type: none"> Roles and Responsibilities not well defined No SOPs and KPIs are not being collected and analyzed Minibus ridership is 340 per month/average cost of \$20/ride. Potential to outsource Sanitation service to 3rd party Department vehicles are maintained by Miami Beach Staff spending time maintaining two small parks 	<ul style="list-style-type: none"> Develop SOPs for each function of the Department Better capture KPIs for reporting Evaluate other transportation options for residents. Obtain bids from 3rd parties to maintain two parks. 	<ul style="list-style-type: none"> Low Low Low Low 	<ul style="list-style-type: none"> Low Low Medium Low
Benchmarking 	<ul style="list-style-type: none"> Given benchmark data, potential to outsource sanitation services. Utility rates have been constant over last four years but not clear if adequate revenues are being set aside for future projects 	<ul style="list-style-type: none"> Obtain bids from 3rd parties to provide sanitation services Conduct long term infrastructure planning to determine future costs 	<ul style="list-style-type: none"> Low Medium 	<ul style="list-style-type: none"> Low Low

Context

- The Public Works Department is comprised of 12 full time and three part time employees working in functional areas - Transportation, Sanitation, Utilities, Street Maintenance, Water, Sewer and Stormwater. There is no current budget funded Public Works Director position.
- Infrastructure includes 725 service connections and 57 fire hydrants, four waste water pump stations, with a total of nine pumps , 5.6 miles of pipe and 1.2 MGD of waste water, two storm water pump stations and two storm water pumps with 5.6 miles of pipe. All underground electrical conduits are maintained by Florida Power & Light. Department also maintains two parks, operates a minibus service, and handles sanitation and water utility services.
- FY2019 Budget for the Department totaled \$8.1M (all Funds) of which 13% was spent on personnel.

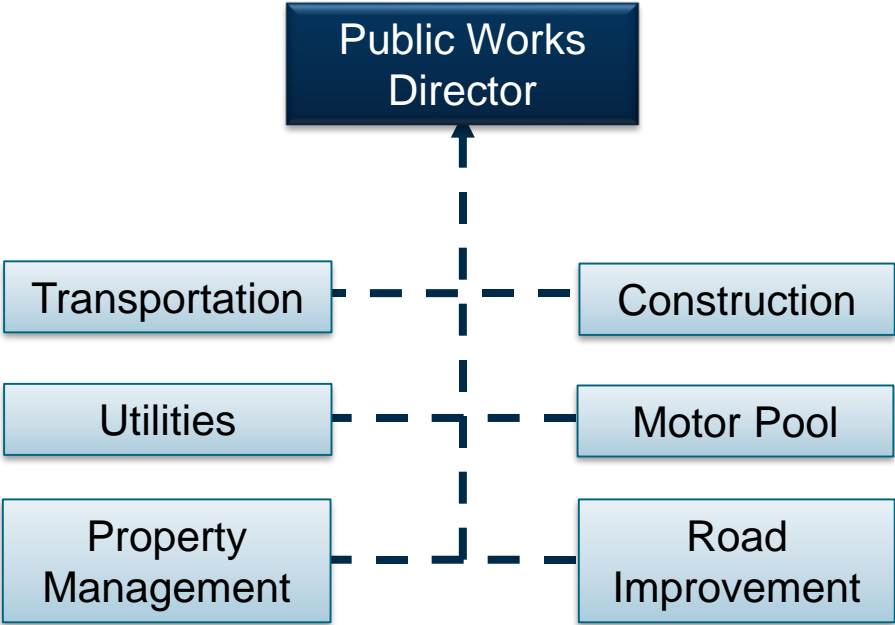
#	Observation	Indicator
3.32	Interviews indicated Roles and Responsibilities are not well defined – no budget for Director position - and there are no Standard Operating Procedures for each function of the Department.	
3.31	Not clear how much the Acting Public Works Director is engaged in managing the Department from a staff management/development perspective and engaging in the budget/procurement processes.	
3.33	Not enough KPI data is being collected and analyzed for the Department.	
3.34	Minibus ridership is approximately 340 per month at a median cost of \$20 per ride. This is not an efficient use of Village resources but there may be other reasons to maintain to the service.	
3.35	Water, Sewer and Stormwater rates have been constant over the last four years but unclear if sufficient reserves are being maintained for future projects.	
3.38	Sanitation rates have remained relatively stable over the last four years but benchmarking data indicates potential need to outsource to a 3 rd part.	
3.36	Utility billing not using the Tyler system to its full potential.	
3.37	The Public Works Department fleet is currently managed through the Police Department and maintenance of vehicles is outsourced to Miami Beach.	

 No Significant Issue Observed
  Some Issue Observed
  Significant Issue Observed

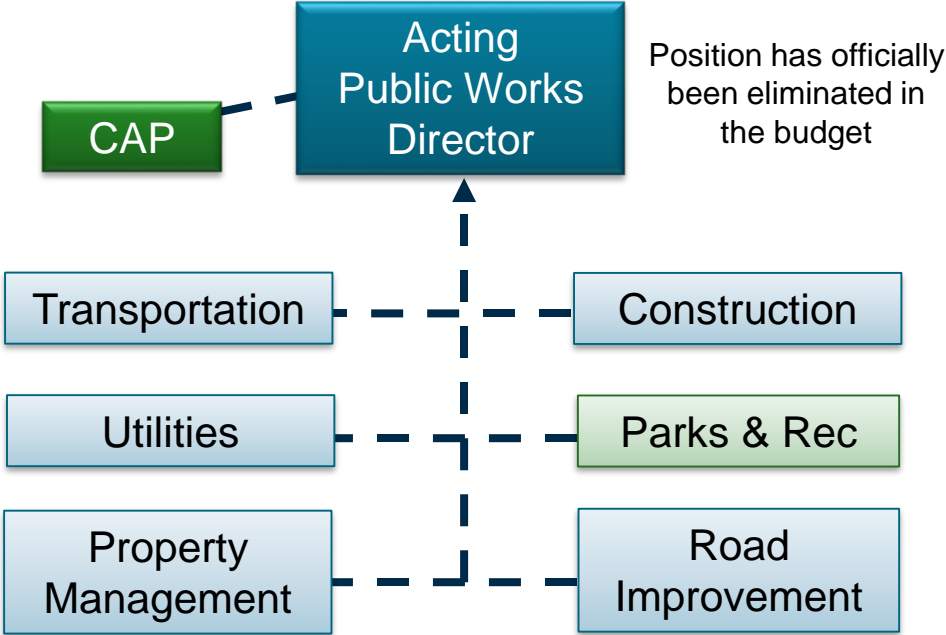
AA. Public Works

Overview

Current Organizational Chart



Observed as Part of Study



Position has officially been eliminated in the budget

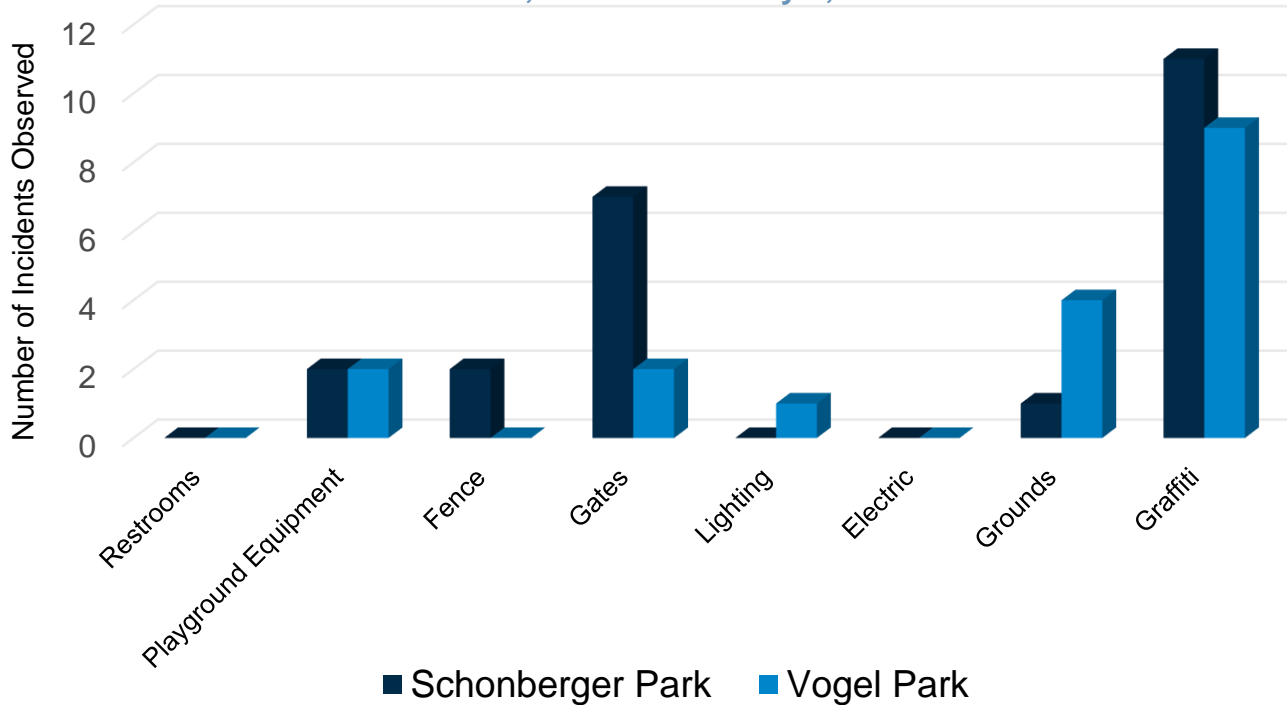
Motor Pool function has been moved to Fleet Manager in Police Department

Because there is no officially funded Department Head position, it is not clear as to how much the Acting Public Works Director is acting in an administrative capacity to manage/develop Department staff or participating in a budget/procurement role.

AA. Public Works

Performance Data - Parks & Recreation

Park Inspections Results
March 8, 2018 to February 8, 2018



- Voters recently approved \$9.4 million for parks and open space development. The Village has spent \$5.5 million for the purchase and development of new parks to-date.
- There are two small parks currently - Dr. Paul Vogel Park and Dr. Philipp Schonberger Park.
- Overall conditions of the parks are good, but graffiti and broken gates are the main problems.

Estimated Monthly Costs to Maintain Parks

Cost Element	Hours	Total Cost
Director	6	+/- \$450
Staff	9	+/- \$405
Contractor	-	+/- \$200
Total	16+	\$1,055

- It is estimated that staff spends 15 hours per month monitoring and maintaining the parks and a 3rd party vendor provides fence maintenance.
- The estimated cost for this level of service is \$1,100 per month including staff labor and fence maintenance.
- In terms of outsourcing park maintenance, need to evaluate if a 3rd party could provide same level of service for +/- \$1,100 per month.

Performance Data - Minibus Service in 2018

	January to March	April to June	July to September	October to December	2018 Total
Riders	650 (217 / month) (7 / day)	650 (217 / month) (7 / day)	2,205 (735 / month) (24/day)	924 (308 / month) (10/day)	4,429 (369 / month) (12/day)
Cost of Service	\$19,095 (\$6,365 / month) (\$212 / day)	\$23,025 (\$7,675 / month) (\$255 / day)	\$21,800 (\$7,266 / month) (\$242 / day)	\$20,957 (\$6,985 / month) (\$232 / day)	\$84,877 (\$7,073 / month) (\$235 / day)
Cost per Ride	\$29	\$35	\$10	\$23	\$20

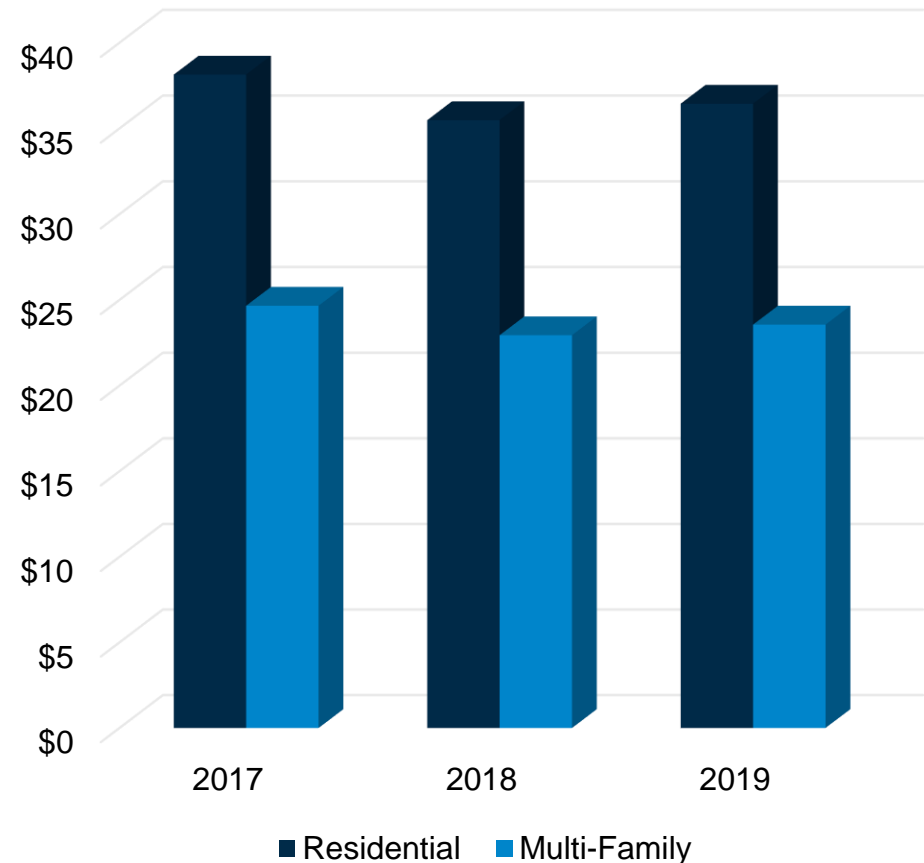
- Average ridership varies per month but averages 12 per day and increases in the fall due to more student activity.
- Average cost varies per month but yearly average is \$7,073 per month / \$235 per day.
- Average cost per rider varies per month but yearly average is \$20 per ride.

With an average rider total of 12 per day at an average cost of \$20 per ride, the minibus service may not be an effective use of Village resources.

Performance Data - Sanitation

- Sanitation service handled by Public Works but Finance Department handles billing. Department goal is to provide waste hauling services to the Village as economically and efficient as possible, but unclear how this goal is tracked.
- According to the Table at the right, sanitation rates have been relatively stable over the last three years.
- According to staff, there have been past efforts to evaluate potential of outsourcing sanitation services but current status of the evaluation is unknown.
- Sewer systems upgrades have taken place over the last several years, but Village should ensure adequate reserves are planned for future work.
- Billing procedures are not as automated through the Tyler System as they should be.

North Bay Village Sanitation Fee Trends



Sanitation rates are stable but unclear if current rates support future growth in cost to provide sanitation services.

Benchmarking Data – Residential Sanitation

Municipality	Sanitation Budget	Customers	Budget Per Customer	Tons Per Year	Budget Per Ton	Staff (FTE)	Budget per Staff	Yearly Tons Per Staff	Trucks	Trucks per Staff	Yearly Tons per Truck
North Bay Village	\$1.1M	642	\$1,713	4,982	\$220	6	\$183,333	830	4	0.7	1,245
Benchmark Municipality Average	\$1.9M	-	-	11,698	\$192	14	\$170,037	830	8	0.7	1,702
South Miami	\$1.4M	-	-	11,340	\$123	10	\$140,000	835	14	1.4	810
Miami Springs	\$2.5M	4,300	\$581	11,364	\$220	12	\$208,333	947	6	0.5	1,890
Miami Shores	\$2.9M	-	-	12,400	\$223	22	\$131,818	563	7	0.3	1,771
Surfside	\$2.4M	-	-	11,690	\$205	12	\$200,000	974	5	0.4	2,338

- Compared to benchmark municipalities, the Village has a smaller budget, number staff and sanitation fleet compared to municipalities who also provide municipal solid waste services.
- The Village appears to be within benchmarks in terms of Budget per Ton per Year, Budget per Staff and Yearly Tons Per Staff compared to benchmark municipalities.
- Peer municipalities that outsource sanitation:
 - Bay Harbor Islands
 - Bal Harbour (Waste Connections)
 - Longboat Key (Waste Management)
 - Marathon (Marathon Garbage Service)

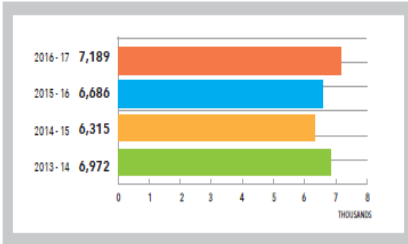
Given availability benchmarking data, the Village should seek bids from 3rd parties to understand their proposed costs and level of service compared to Village's current levels.

Performance Data - Utilities

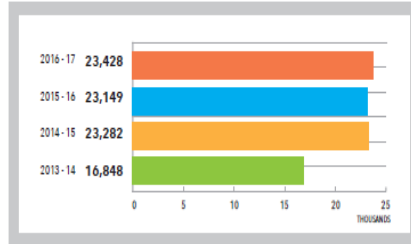
- Besides Sanitation, the Village also handles Water, Sewer and Storm Water services. The rates for these services has been constant over the last four years.
- These utility services are maintained by Public Works but Finance Department handles billing.
- Billing procedures are not as automated through the Tyler System as they should be.
- Approval letters from the Florida Department of Health and Miami-Dade Department of Regulatory and Economic Resources indicate the Village's current utility services are within acceptable ranges of quality.
- Utility Quality Reports and regulatory approval letters are not currently uploaded to the website.
- Not clear if the Village has made appropriate long term infrastructure planning to determine future needs and costs.
 - Roads, curbs, gutter, sidewalks
 - Utilities
 - Flood control

Benchmarking - Best in Class Reporting

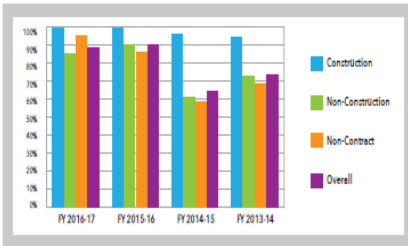
ENCUMBRANCES AND APPROPRIATIONS NUMBER OF TRANSACTIONS PROCESSED



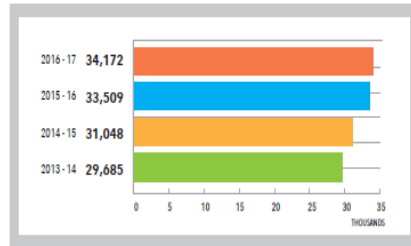
EXPENDITURES NUMBER OF TRANSACTIONS PROCESSED



PERCENTAGE OF PAYMENTS PROCESSED WITHIN 30 DAYS



REVENUE RECEIPTS PROCESSED



Transportation and Public Works

- Transit
- Infrastructure Maintenance
- Land Development
- Public Works Permits
- Traffic Management
- Accessibility
- About Us

Last Visited »

Report Problems

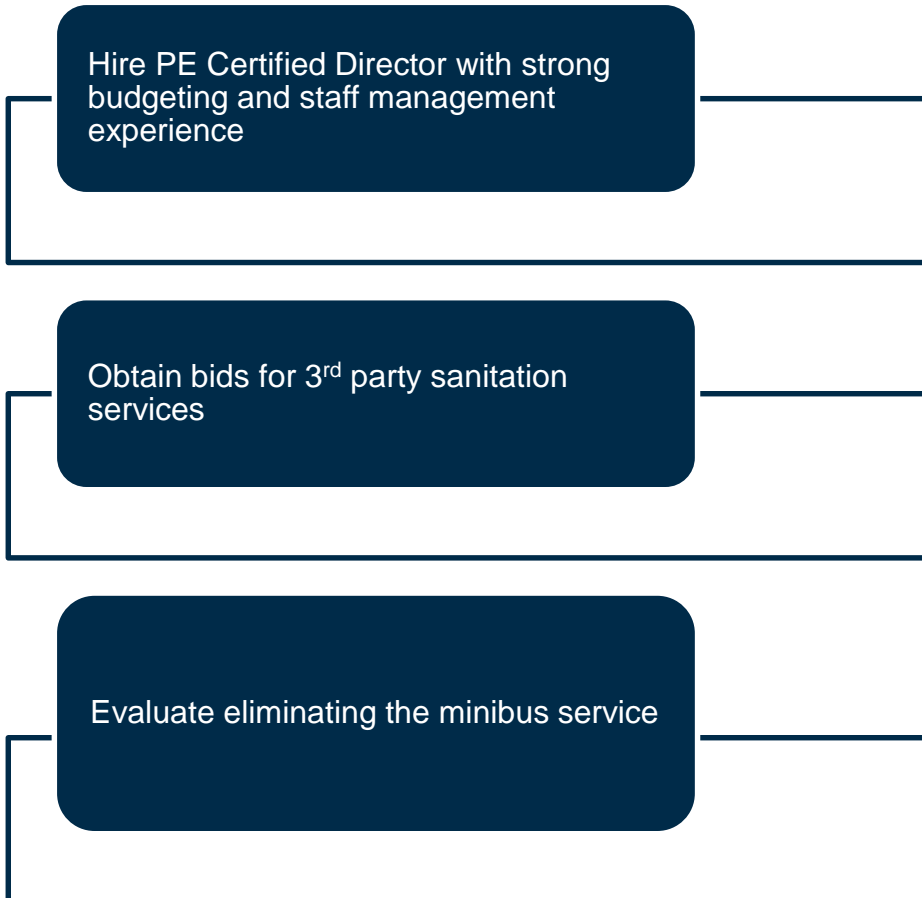
The following problems can be [reported online](#), by emailing 311@miamidade.gov or calling 3-1-1:

- > Potholes
 - > Report a pothole on a County-maintained road, as well as main roads in Doral, Miami Gardens and Palmetto Bay. Miami-Dade County does not handle potholes on private roads, private communities or communities under constructions. Additionally, most municipalities are responsible for the majority of roads in their communities.
- > Damaged sidewalk
 - > Report a broken or raised sidewalk or curb, both concrete or asphalt. For damaged sidewalks where a water meter is present near the broken section, please call 3-1-1.
- > Street name signs
- > Traffic signs
 - > Report traffic or street name signs that are down, damaged or missing. If this request is pertaining to the metal pole base sticking up out of the ground or sidewalk without a pole or sign, please call 3-1-1.
- > Bank trees on canal need cutting
- > Blocked canal
- > Canal culvert blocked
- > Canal bank needs mowing
- > Canal needs cleaning
 - > Public Works and Waste Management maintains approximately 168 miles of secondary canals, while the South Florida Water Management District maintains the primary canal system.

- The Public Works Department should strive to collect KPI data on all Department Functions and prepare monthly reports that allows for tracking of Department performance. These reports should be shared with the Commission and uploaded to the website for greater transparency into Department activities.
- More options should be available for residents via the Village Website such as reporting and tracking incidents.

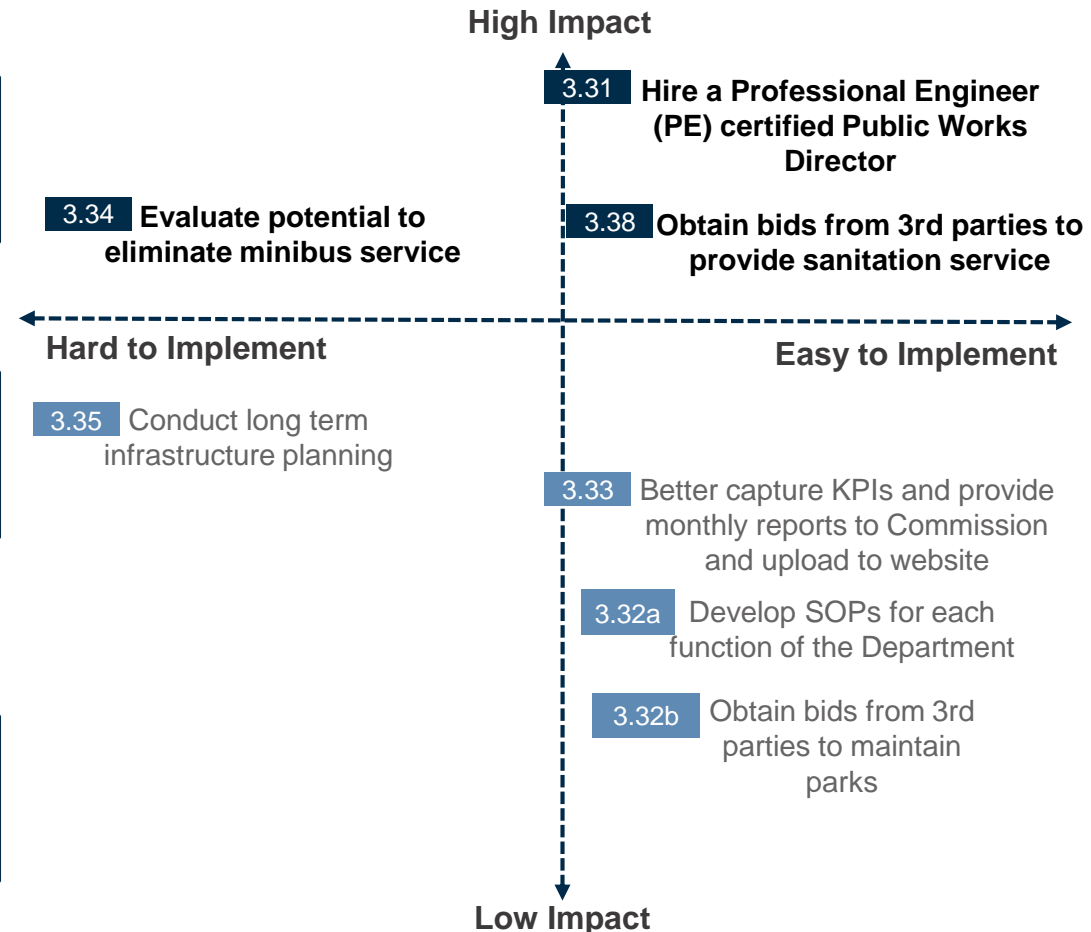
The hiring process for a new Director is underway, but attention should be given to the candidate’s ability to manage staff and perform inputs into the budget and procurement processes. Outsourcing opportunities for sanitation and the minibus should also be given priorities to understand where cost reductions might occur in relationship to a different level of service.

Top Priorities






Recommendations Matrix

■ Priority Recommendations








AB. Summary of Village Manager

Current Village Manager is serving in an Interim capacity with no clear timeframe to name a permanent Manager. Given the recent transitional nature of the position, there is a lack of leadership and management on the part of the position (not the current individual serving as Interim). The Village Manager should work closely with the Commission to make sure the recommendations below are implemented in a timely manner.

Item Reviewed	Observations	Recommendations	Cost	Savings
Department Head 	<ul style="list-style-type: none"> Interim Village Manager and unclear when permanent will be named 	<ul style="list-style-type: none"> Restore stability, transparency, and professionalism in position via next hire 	<ul style="list-style-type: none"> Medium 	<ul style="list-style-type: none"> Medium
Staff 	<ul style="list-style-type: none"> Chain of command and communication issues exist between staff, Department Heads, Village Manager and the Commission Many contracts over five years old need to be rebid such as telephone service and USPS contract There is a lack of stable leadership coming from this critical leadership position with minimal input into budget and procurement processes Commission not performing annual review for Manager 	<ul style="list-style-type: none"> Work with Commission, Clerk, Attorney and staff to set clear communication chain of command Seek bids for contracts >5 years old such as telephone system and USPS Identify lead on A&M Implementation Plan recommendations Post monthly activity reports to the Village website for greater transparency into Village activities Establish roles and expectations with Commission and conduct annual review process 	<ul style="list-style-type: none"> Low Low Low Low Low Low 	<ul style="list-style-type: none"> Low Low Medium Low Low Low
Benchmarking 	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

Context

- North Bay Village operates under a Village Manager form of local government with four Commissioners and a directly voted Mayor.
- All Departments report to the Village Manager with the exception of the Village Attorney and Village Clerk who both report to the Commission.
- The position is currently held by an Interim Manager and the Village is seeking a full time manager.
- The position of Assistant to the Village Manager is also currently vacant. (4/5/19)
- In the recent Budget, the Deputy Village Manager position was also eliminated.

#	Observation	Indicator
3.41	Many Village contracts are over 5 years old and should be rebid such as the telephone system and the USPS contract.	
3.40	Chain of command and communication from and between staff, Department Heads, Manager and Commissioners has also been impacted by recent events and should be addressed.	
3.39	Village has an Interim Village Manager and it is unclear when permanent Manager will be named.	
3.42	Given recent transitional nature of the position, there is a lack of stable leadership and clear and consistent messaging coming from this critical leadership position which staff depend upon.	
3.43	Commission not currently conducting annual review for the Manager.	

 No Significant Issue Observed
  Some Issue Observed
  Significant Issue Observed

Salary Benchmarking

Tied to A&M’s recommendation to hire a qualified and professional Village Manager is a review of the Village’s compensation for the position. According to benchmarking data collected by Colin Baenziger & Associates, the Village is underpaying the Village Manager in comparison to both Miami-Dade County and benchmarking averages. If the Village wants to attract quality candidates, then some adjustments in the compensation structure might be required.

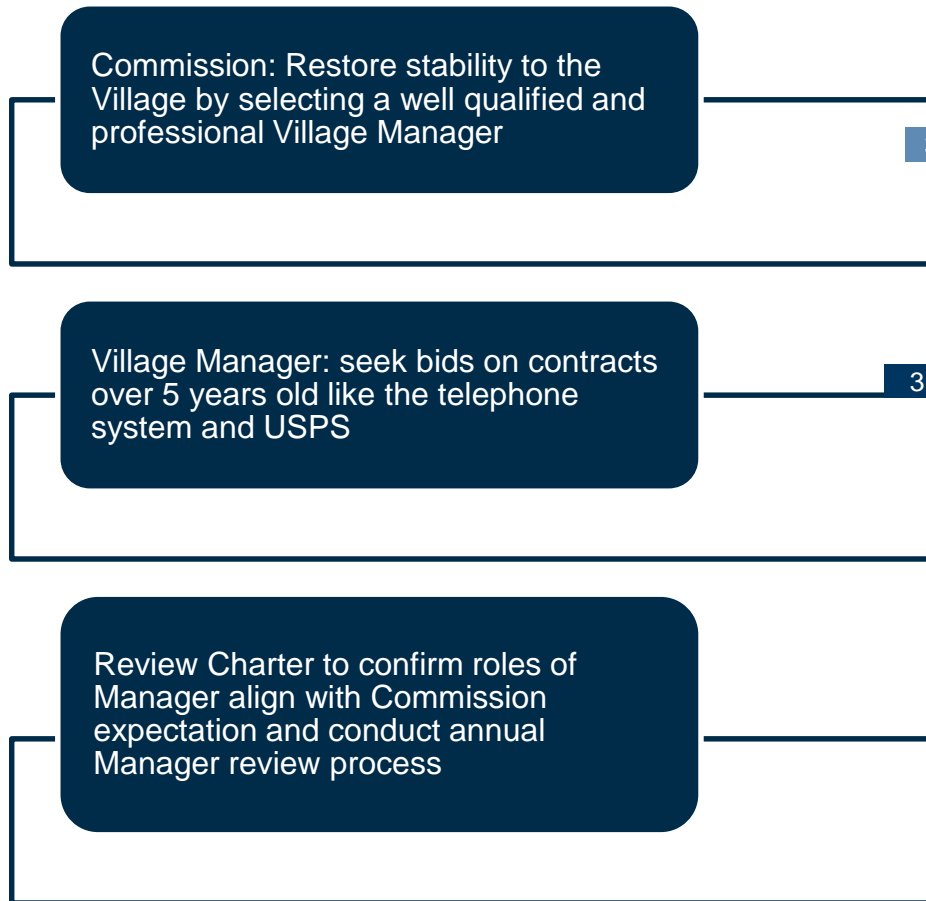
	Population	Full Time Employees	Manager Salary 2017 2018 *
North Bay Village	8,973	88	\$125,000
Benchmark Municipality Average	8,500	116	\$178,165
Miami-Dade County Average	45,652	475	\$192,000
Bal Harbour	2,924	79	\$222,847
Bay Harbor Islands	5,826	67	\$170,000
Longboat Key	6,934	117	\$187,000
Marathon	8,877	97	\$150,789
Miami Shores	10,761	205	\$170,414
Miami Springs	14,217	128	\$148,526
South Miami	12,645	137	\$206,000
Surfside	5,814	103	\$169,744

The Village lags behind compensation for the Village Manager position by approximately \$53,000 compared to benchmark communities.

AB. Village Manager Implementation Plan

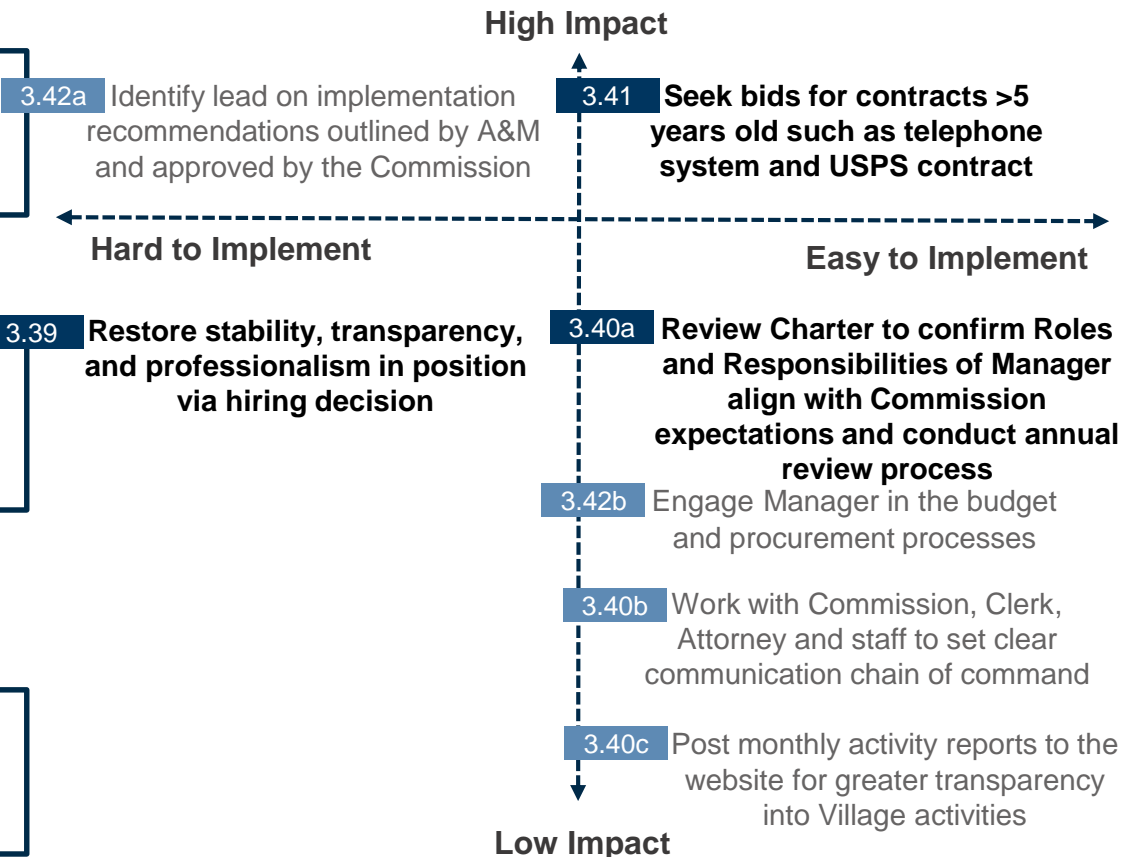
The Commission can greatly add to the stability of the organization by hiring a well qualified and professional Village Manager. In addition to making a qualified hiring decision, the Commission should also engage the Manager in an annual review process to make sure there is alignment in terms of expectations and job performance. The Manager should also follow up on all contracts over 5 years old.

Top Priorities






Recommendations Matrix

■ Priority Recommendations










AC. Summary of Village Clerk




A Village Clerk was recently hired after Village was served by an Interim Village Clerk. There are no SOPs for the Department and no specific SOPs for document management. In addition, the Clerk's office is generating significant amount of paper given the volume of agenda packets. According to benchmark data, the Clerk should have at least 1 Deputy Clerk with potential additional support.

Item Reviewed	Observations	Recommendations	Cost	Savings
Department Head 	<ul style="list-style-type: none"> New Village Clerk hired 	<ul style="list-style-type: none"> Better Integrate the Clerk into the Budget and Procurement processes. 	<ul style="list-style-type: none"> Low 	<ul style="list-style-type: none"> Low
Staff 	<ul style="list-style-type: none"> No SOPs for the saving, storing, and disposal of Village documents Roles and Responsibilities are not well defined and there are no SOPs for the Department Currently generating a large volume of paper on a monthly basis Performing administrative duties for other Departments Commission not performing annual review for Clerk 	<ul style="list-style-type: none"> Develop SOPs for Village-wide document management. Develop SOPS for the Department Track KPIs and workload to website Obtain bids to transition to electronic-based agenda packet preparations Review Charter to confirm Roles and Responsibilities of Clerk align with Commission expectations and conduct annual review process 	<ul style="list-style-type: none"> Low Low Low Low Low 	<ul style="list-style-type: none"> Moderate Low Low Moderate Low
Benchmarking 	<ul style="list-style-type: none"> With no Deputy Clerk, peer communities reviewed have an average staff size of 2.5 full time staff. 	<ul style="list-style-type: none"> Since Clerk was just hired, no specific recommendation 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

Context

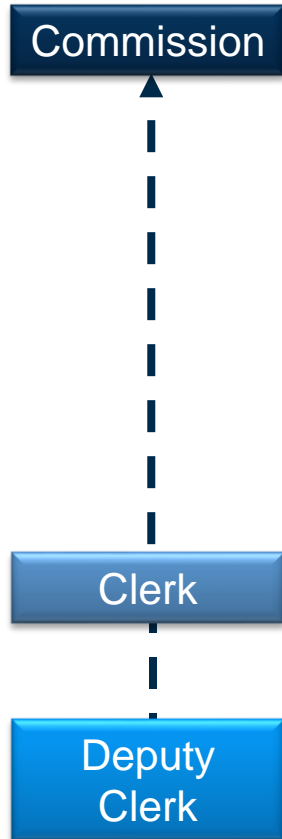
- North Bay Village operates under a Charter-defined structure where the Village Clerk reports to the Commission.
- The budget calls for one full time Clerk and a Records Clerk, but Records Clerk moved to Police Department.
- The Village did hire a Clerk recently.
- Most recent budget eliminated the Deputy Clerk position.
- FY2019 Budget for the Department totaled \$280,067 of which 76% was spent on personnel.

#	Observation	Indicator
3.46	There appears to be no Standard Operating Procedures for the saving, storing, and disposal of Village documents.	
3.47	Clerk's office is currently generating a large volume of paper on a monthly basis.	
3.48	Interview indicated Roles and Responsibilities are somewhat clear but could be improved. Also, there are no Standard Operating Procedures for the Department.	
3.51	North Bay Village only has one staff in the Clerk's office. Across Miami-Dade County the average is 3.5 FTE and of peer cities reviewed, average staff of Clerk's Department is 2.5 FTEs.	
3.49	Clerk's office is performing some administrative duties for other Departments.	
3.50	Commission is not currently conducting an annual review for the Clerk	
3.45	New Clerk was hired	

 No Significant Issue Observed
  Some Issue Observed
  Significant Issue Observed

Overview

Current Organizational Chart



Observed as Part of Study



Alternatives



NBV Charter calls for Clerk to report to Commission

Benchmarking Data

Municipality	Population	Clerk Reports To	Staff (Including Clerk)	Title of Assistant
North Bay Village	8,973	Governing Body	1	N/A
Benchmarking Municipality Average	8,500	Governing Body	2.5	Deputy Clerk
Bal Harbor	2,924	Governing Body	2	Deputy Clerk
Bay Harbor Island	5,826	Governing Body	2	Deputy Clerk
Miami Shores	10,761	Governing Body	1	None
Miami Springs	14,217	Governing Body	3	Deputy Clerk
South Miami	12,645	Governing Body	3	Deputy Clerk
Surfside	5,814	Manager	3	Deputy Clerk
Longboat Key	6,934	Manager	2.5	Deputy Clerk
Marathon City	8,877	Manager	2	Deputy Clerk

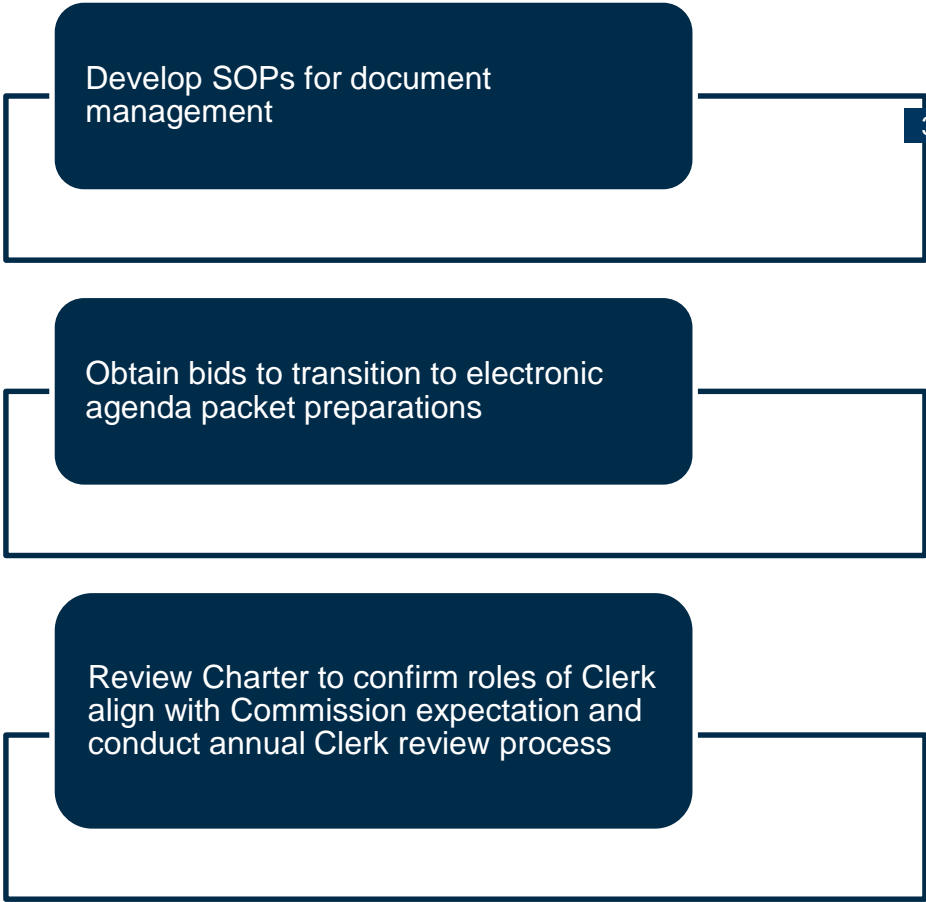
- In 2017-18 Miami-Dade County Municipal Clerks Association Annual Survey, 31 municipalities responded. The average number of staff in the Clerk 's Department was 3.5.
- In reviewing North Bay Village peer cities, the average is 2.5. All peer cities with exception of Miami Shores have a Clerk and Deputy Clerk.

According to benchmark data, Clerk's office is potentially understaffed by 1 FTE.

AC. Village Clerk Implementation Plan

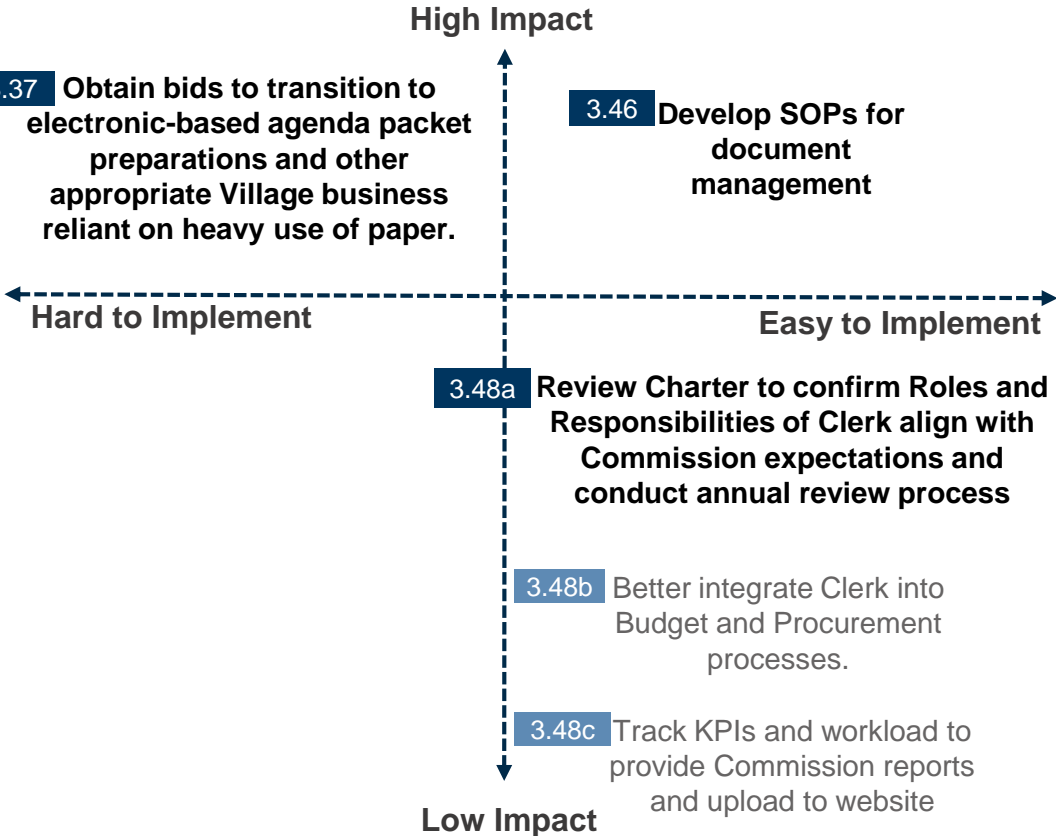
The Village Clerk should focus on developing SOPs for the Clerk’s Office as well as SOPs for document management across the Village. Given the volume of paper being generated, bids should also be obtained to transition to electronic agenda packet preparations. The Commission should engage the Clerk in an annual review process to make sure there is alignment in terms of expectations and job performance.

Top Priorities






Recommendations Matrix

■ Priority Recommendations








AD. Summary of Village Attorney




The Village is currently being served by an Interim Village Attorney. However, RFPs were recently issued and are currently (3/26/19) being evaluated. Charter is not clear as to when Village Attorney needs to seek Commission approval on decisions to hire other legal experts or make a spending decision and should be clarified.

Item Reviewed	Observations	Recommendations	Cost	Savings
Department Head 	<ul style="list-style-type: none"> Village currently served by Interim Village attorney but RFPs being evaluated 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
Staff 	<ul style="list-style-type: none"> Attorney does not appear to be providing monthly status reports to post to Village website Appears to be lack of clarity as to when Attorney needs to seek Commission guidance when it comes to hiring 3rd party legal subject matter experts Commission is not currently performing annual review for the Attorney 	<ul style="list-style-type: none"> Provide monthly activity reports for Commission review and posted to the Village website for greater transparency into activities Effectively engage the Attorney in clarifying spending and hiring authority Review Charter to confirm Roles and Responsibilities of Attorney align with Commission expectations and conduct annual review process 	<ul style="list-style-type: none"> Low Low Low 	<ul style="list-style-type: none"> Low Low Low
Benchmarking 	<ul style="list-style-type: none"> Of the ten (10) peer communities in Florida reviewed, only two (2) maintain in house staff attorneys (Miami Beach and Marathon) 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

Context

- North Bay Village operates under a Charter-defined structure where the Village Attorney reports to the Commission.
- Village is currently seeking a full time Village Attorney - currently contracts on an interim basis with the Law Offices of Weiss Serota Helfman Cole & Bierman.
- Village Attorney does at times rely on other 3rd party legal subject matter experts.
- FY2018 Budget for the Department totaled \$204,000 of which all is dedicated to a 3rd party contract.

#	Observation	Indicator
3.54	Potential discrepancy on process Village Attorney takes to hire 3 rd party legal experts without consulting with the Commission. Charter does not provide clear answer.	
3.53	It does not appear that the Village Attorney prepares monthly activity reports. Standardized and timely submittal of monthly activity reports provides transparency into Attorney activities and should be presented to the Commission and posted to the website for greater transparency.	
3.55	Commission not completing annual review for the Attorney	
3.52	Position currently held by Interim Attorney but RFPs for full time Attorney are being evaluated	
3.56	Of the ten (10) peer communities in Florida reviewed, only two (2) maintain in house staff attorneys (Miami Beach and Marathon) compared to relying on 3 rd party contracts.	

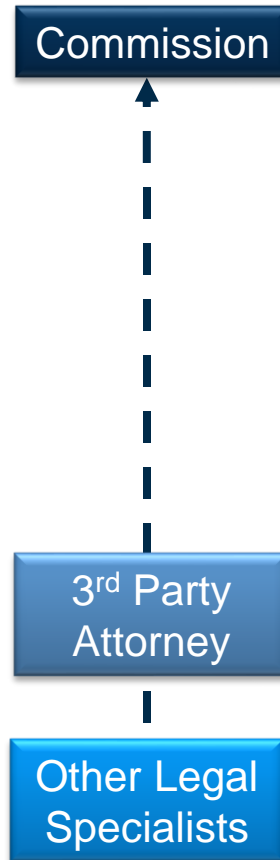
 No Significant Issue Observed
  Some Issue Observed
  Significant Issue Observed

Overview

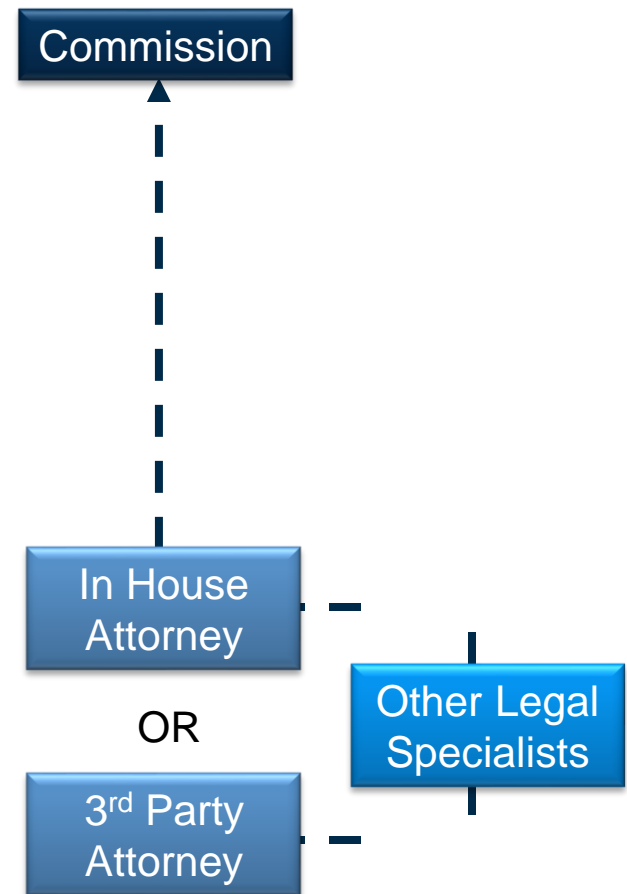
Current Organizational Chart



Observed as Part of Study



Alternatives



Benchmarking Data

Municipality	Legal Representative	Status	Total 2018 Budget
North Bay Village	Law Office of Norman C. Powell (as of 2018)	3 rd Party	\$204,000
Benchmark Municipality Average	Various	3rd Party	\$332,584
Bay Harbor Island	Craig Sherman and Assistant Town Attorneys	3 rd Party	\$163,000
Longboat Key	Persson, Cohen & Mooney	3 rd Party	\$341,000
Surfside	Weiss Serota Helfman Cole & Bierman	3 rd Party	\$418,920
Marathon	David Migut	In-House	\$369,442
Bal Harbor	Weiss Serota Helfman Cole & Bierman	3 rd Party	\$566,997
Miami Springs	Weiss Serota Helfman Cole & Bierman	3 rd Party	\$170,652
Miami Shores	Genovese Joblove & Battista	3 rd Party	\$255,700
South Miami	Pepe & Nemire	3 rd Party	\$507,552
Miami Lakes	Gastesi & Associates	3 rd Party	\$200,000

- In data analyzed, the benchmark average for legal services in FY 2018 was \$340,000. This compare to the Village's budgeted amount of \$204,000 which includes costs for the Village Attorney and 3rd party contracts.
- In addition to expenditure benchmarks, it also appears that most communities similar to the Village engage a 3rd party attorney versus hiring in-house legal staff.

Benchmarking Data

Example of Changing from In-House to 3rd Party Contract Costs

Surfside retains the Town Attorney services through a contractual agreement that commenced in July, 2017, as the Town transitioned from an in-house legal department to outside services with the firm of Weiss Serota Helfman Cole & Bierman.

	FY 2017 Actual	FY 2018 Adopted	FY 2018 Estimated	FY 2019 Proposed
Personnel Services	\$323,546	\$75,897	\$0	\$0
Operating Expenses	\$108,021	\$418,920	\$418,920	\$484,270
TOTAL	\$431,567	\$494,817	\$418,920	\$484,270

↑
Cost difference between staff and 3rd party contract
↑

Example of In-House Attorney Costs

Marathon has one in-house attorney and appears to also have an as-needed legal contract. These costs are taken from their 2018 Budget.

Item	Amount
Salaries	\$210,067
Social Security	\$16,070
Retirement	\$26,310
Group Health/Dental/Life	\$23,743
Workers Comp	\$252
Overhead/Supplies/Travel	\$13,000
Contracts	\$80,000
TOTAL	\$369,442

AD. Village Attorney Implementation Plan

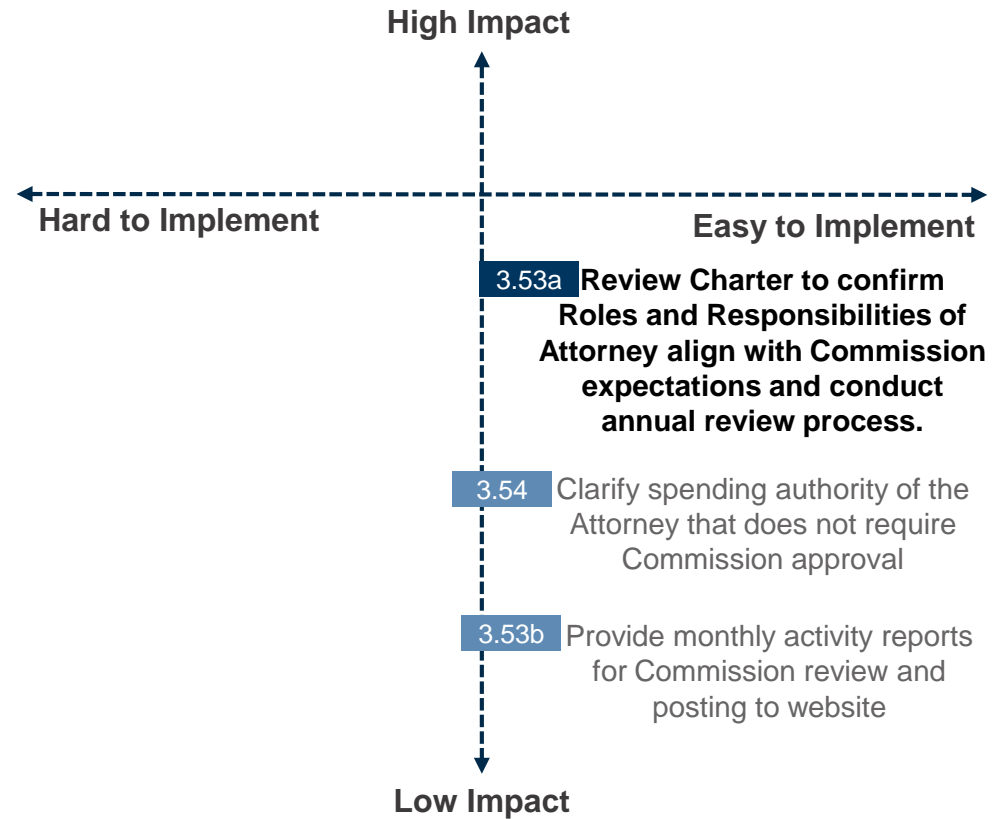
The Commission should engage the Village Attorney in an annual review process to make sure there is alignment in terms of expectations and job performance.

Top Priorities

Review Charter to confirm roles of Attorney align with Commission expectation and conduct annual Attorney review process

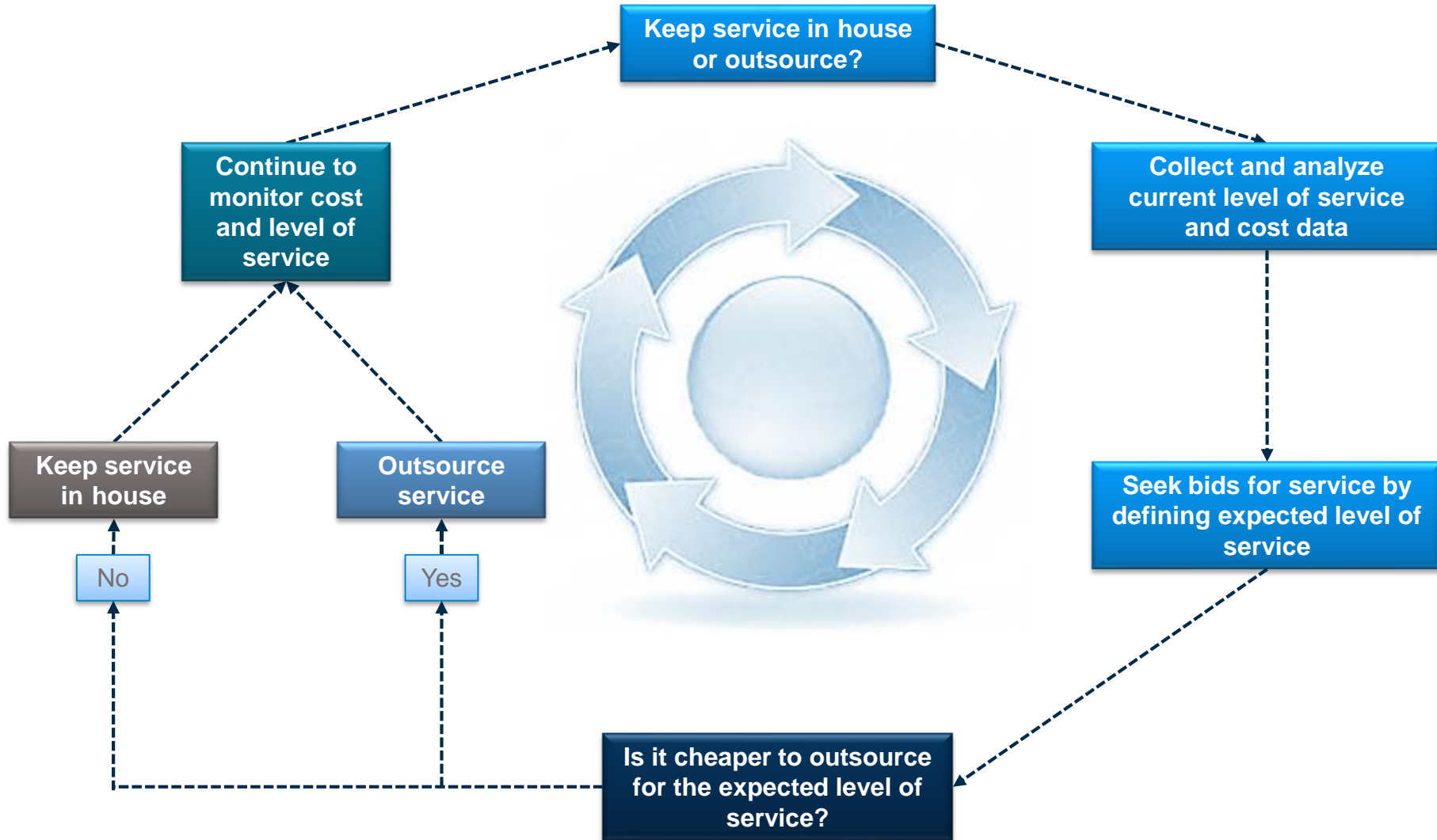
Recommendations Matrix

■ Priority Recommendations



AE. Making An Outsourcing Decision

Cycle of Cost and Level of Service Analyses



TERM	DEFINITION
• A&M	Alvarez and Marsal
• DEPARTMENTS	Village Departments of Building, Police, Public Works, Manager, Clerk and Attorney
• FDLE	Florida Department of Law Enforcement
• FTE	Full Time Equivalent
• ICMA	International City/County Managers Association
• KPI	Key Performance Indicator
• SOP	Standard Operating Procedure
• Village	North Bay Village

ALVAREZ & MARSAL