

## MEMORANDUM

**TO:** RANDY SHERMAN, DIRECTOR OF FINANCE AND ADMIN. SVCS.

**FROM:** ANDREW DEGRAFFENREIDT, CITY ATTORNEY

**CC:** DANNY JONES, CITY MANAGER

**DATE:** MARCH 7, 2017

**RE:** TERENCE DAVIS' ENTITLEMENT TO UTILITY DISTRICT STIPEND  
COMPENSATION

Please be advised that pursuant to Resolution 13-15UD which provides compensation to the Utility District Board members, Terence Davis is entitled to the compensation provided therein. It is my understanding that there was a procedure developed that was utilized for members of the Board to waive their entitlement to the compensation provided in resolution however I am informed that Mr. Davis never executed that voluntary waiver.

Thank you for your attention to this matter.

AD:syj

MAR 07 2017  
FINANCE



**CITY OF RIVIERA BEACH  
FINANCE AND ADMINISTRATIVE SERVICES**

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**FINANCE DEPARTMENT**

**INTER-DEPARTMENTAL COMMUNICATION**

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**DATE: MARCH 10, 2017**

**TO: ANDREW DEGRAFFENREIDT, CITY ATTORNEY**

**FROM: RANDY M. SHERMAN, DIRECTOR OF FINANCE AND ADMINISTRATIVE SERVICES**

**CC: DANNY JONES, CITY MANAGER**

**SUBJECT: CHAIR T.D. DAVIS REQUEST TO RECEIVE UTILITY SPECIAL DISTRICT STIPEND RETRO-ACTIVE TO OCTOBER 1, 2015**

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I am in receipt of your memos dated February 27, 2017 and March 7, 2017 regarding Chair Davis' request to receive the Utility Special District (USD) Stipend retro-active back to October 2015. Neither memo addresses the concern that I have raised, so please allow me to further explain what it is I need in order to honor such a request.

Attorney Ryan wrote the Resolution 13-15UD providing for the Stipend. Attorney Ryan also provided guidance on how the Stipend should be implemented. Attorney Ryan's position was that the Charter governing the USD permitted compensation. Therefore, the USD would make compensation available, but each Board member would be required to say "Yes, I want the compensation", or "No, I do not want the compensation". Compensation was not being imposed, it was being made available. This requires a simple Yes or No answer.

At this time, I am being requested to take an action contrary to the instructions from the City Attorney. You are correct in your understanding that Mr. Davis never executed a waiver, however, he also never elected to receive the stipend as required by Attorney Ryan. Since I am the final level of authority before this payment would be made, I am hard pressed to change what has previously been done without a clear statement or legal sufficiency from you. At some point this may be in front of the Inspector General or possibly the State Attorney General and I will need to be able to provide support as to why I retro-actively changed the process and payment requirement.

I take no position on whether or not Mr. Davis should be paid. If you can provide a statement of legal sufficiency, I will gladly see to it that the payment is made. Please be mindful of the fact that every other elected official has made their written election and that a budget adjustment would be necessary to make the payment as neither the Stipend or the associated Florida Retirement contribution are budgeted for the retro-activity.

If you are comfortable to simply stamp and sign this memo for legal sufficiency that would meet my needs.

RMS/sde

## MEMORANDUM

TO: RANDY SHERMAN, DIRECTOR OF FINANCE AND ADMIN. SVCS.

FROM: ANDREW DEGRAFFENREIDT, CITY ATTORNEY

CC: DANNY JONES, CITY MANAGER

DATE: MARCH 13, 2017

RE: TERENCE DAVIS' ENTITLEMENT TO UTILITY DISTRICT STIPEND  
COMPENSATION

Please reference your memo to me dated March 10<sup>th</sup> 2017 regarding the payment of the Utility District stipend to Terence Davis.

The official action of the Utility District Board is contained in Resolution 13-15UD. It is my understanding that there is no subsequent action by the Utility District Board that modifies that resolution. The language in the resolution is unambiguous and contains no reference to any of the restrictions that you are concerned with. The resolution specifically provides for the benefit requested and you agree that "Mr. Davis never executed a waiver".

Therefore, it is my legal opinion that Mr. Davis is entitled to receive the specific benefit provided by Resolution 13-15UD and it is requested that you comply with the same as soon as practicable.

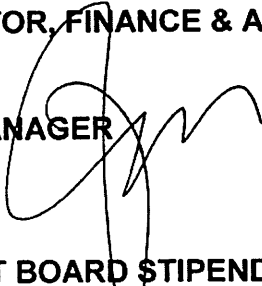
Thank you for your attention to this matter.

AD:syj

MAR 13 2017

# MEMORANDUM

**TO: RANDY SHERMAN, DIRECTOR, FINANCE & ADMINISTRATIVE SERVICES**

**FROM: DANNY D. JONES, CITY MANAGER** 

**DATE: MARCH 17, 2017**

**RE: UTILITY SPECIAL DISTRICT BOARD STIPEND**

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As a follow-up to the meetings we have held between you, Mr. DeGraffenreidt, and myself concerning the stipend pay for Utility Special District (USD) Board Members, please find attached a copy of Attorney DeGraffenreidt's memo to you.

It is my understanding from Attorney DeGraffenreidt's memo that the USD Board Members are entitled to the stipend benefit from the date in which the board approved the resolution.

No additional step is required to authorize payment for such entitlement.

In an effort to bring this matter to closure, I am authorizing you to compensate Board Member Terence Davis from the date in which he was entitled to receive the benefit.



CITY OF RIVIERA BEACH  
FINANCE DEPARTMENT

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INTER-DEPARTMENTAL COMMUNICATION

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**DATE:** March 20 2017

**TO:** DANNY JONES, DEPUTY CITY MANAGER

**COPY:** JONATHAN EVANS, CITY MANAGER  
RANDY SHERMAN, DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES

**FROM:** KAREN HOSKINS, ASSISTANT DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES *KH*

**SUBJECT:** TERENCE DAVIS' ENTITLEMENT TO UTILITY DISTRICT STIPEND  
COMPENSATION

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Further to your memorandum dated March 17, 2017 to Mr. Randy Sherman regarding the above referenced matter, the retroactive payment is estimated to be \$25,900.00 which includes USD's costs for the stipend, FICA and FRS contribution for pay periods from October 4, 2015 to March 4, 2017. The attached document outlines the calculation for the retroactive payment. This amount is not included in USD's FY 2017 operating budget.

Therefore, a resolution will be required to authorize this amount to be transferred from USD's Contingency account to the relevant salaries and benefits accounts. Please be aware that the retroactive payment will not be included in Chairman Davis's salary to be paid on March 24, 2017. Payment for the retroactive stipend will be made upon approval by the USD Board.

Please be aware that it is the understanding of the Finance Department that the Board Member and Mayor is required to sign a form stating that he or she accepts or rejects the stipend. Finance Department does not have a record of this signed form from Chairman Davis. However, based on your directive authorizing compensation in your memorandum dated March 17, 2017 and the legal opinion of Mr. Andrew Degraffenreidt, City Attorney, stated in memorandum dated March 13, 2017, please advise the Finance Department if the biweekly stipend amount of \$461.54 should commence for Chairman Davis starting with pay period March 5 to March 17, 2017 to be paid on March 24, 2017.

We look forward to your response by Tuesday, March 21, 2017.

Thank you.

*Attachment*

## Sherman, Randy

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**From:** Evans, Jonathan  
**Sent:** Wednesday, March 22, 2017 1:33 PM  
**To:** Hoskins, Karen  
**Cc:** Sherman, Randy; Degraffenreidt, Andrew; Davis, Terence  
**Subject:** UD Payment - T. Davis

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

The intent of this email is to authorize staff to provide compensation to Mr. Terrence Davis as it relates to the stipend in which the elected officials are intended to receive pursuant to Resolution 13 – 15UD. After conversations with the city attorney, the document that Mr. Davis was requested to execute was not consummated as part of Resolution 13 – 15UD; thus making it an administrative policy outside of the authority adopted by the Utility District Board. Furthermore, in the future any individual member of the Utility District Board are to receive this compensation unless they explicitly communicate it in writing that they are declining receipt of the stipend provided for in the Resolution. In the memorandum dated March 20, 2017, from finance department it was communicated that Mr. Davis would not be afforded retroactive payment, that is not consistent with the adopted Resolution and it is my direction that staff cure this issue immediately and issue a check immediately.

Respectfully Submitted,

**Jonathan E. Evans, MPA, MBA, ICMA-CM**  
City Manager - Riviera Beach

600 W. Blue Heron Blvd.  
(O) 561-845-4010  
(C) 561-379-4505  
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Website: [Rivierabch.com](http://Rivierabch.com)  
Twitter: @\_JonathanEvans\_

All mail sent to and from Riviera Beach Government is subject to the public records law of the State of Florida.



**CITY OF RIVIERA BEACH  
FINANCE DEPARTMENT**

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**INTER-DEPARTMENTAL COMMUNICATION**

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**DATE:** March 29, 2017  
**TO:** JONATHAN EVANS - CITY MANAGER  
**COPY:** DANNY JONES - DEPUTY CITY MANAGER  
**FROM:** RANDY SHERMAN, DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES  
**SUBJECT:** **TERENCE DAVIS – RETROACTIVE STIPEND PAYMENT FOR UTILITY SPECIAL DISTRICT**

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Finance Department has prepared the retroactive stipend payment for Chairman Terence Davis for the period from October 2015 to March 24, 2017 for a total amount of \$26,571.32 as detailed below:

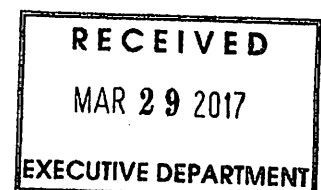
Stipend	17,538.52
FICA	1,341.70
FRS	<u>7,691.10</u>
<b>Total</b>	<b><u>\$26,571.32</u></b>

This retroactive payment of stipend has resulted in an over expenditure in the FY2017 operating budget. Staff is currently preparing a resolution to authorize the transfer of the amount from the USD's Contingency account to the appropriate account.

It is anticipated that a presentation and approval of the resolution will occur at the April 2017 USD meeting. Please sign off on the documentation for the stipend payment which is attached to this memorandum.

Thank you.

*Attachment*



**City's Cost for Terence Davis Retroactive Stipend Payment  
Monthly Stipend (October 4, 2015 to March 17, 2017)**

Annual payment 12,000.00  
 Number of pay periods 26  
 Bi-weekly amount 461.54

Pay Date	B-Weekly Stipend	Monthly Stipend for FRS Calculation	FICA	FRS Contribution Rate	FRS	Total
10/23/2015	461.54	461.54	35.31	45.80%	211.39	708.23
11/6/2015	461.54					
11/20/2015	461.54	923.08	70.62	45.80%	422.77	1,416.47
12/4/2015	461.54					
12/18/2015	461.54	923.08	70.62	45.80%	422.77	1,416.47
1/1/2016	461.54					
1/15/2016	461.54					
1/29/2016	461.54	1384.62	105.92	45.80%	634.16	2,124.70
2/12/2016	461.54					
2/26/2016	461.54	923.08	70.62	45.80%	422.77	1,416.47
3/11/2016	461.54					
3/25/2016	461.54	923.08	70.62	45.80%	422.77	1,416.47
4/8/2016	461.54					
4/22/2016	461.54	923.08	70.62	45.80%	422.77	1,416.47
5/6/2016	461.54					
5/20/2016	461.54	923.08	70.62	45.80%	422.77	1,416.47
6/3/2016	461.54					
6/17/2016	461.54	923.08	70.62	45.80%	422.77	1,416.47
7/1/2016	461.54					
7/15/2016	461.54					
7/29/2016	461.54	1384.62	105.92	42.10%	582.93	2,073.47
8/12/2016	461.54					
8/26/2016	461.54	923.08	70.62	42.10%	388.62	1,382.31
9/9/2016	461.54					
9/23/2016	461.54	923.08	70.62	42.10%	388.62	1,382.31
10/7/2016	461.54					
10/21/2016	461.54	923.08	70.62	42.10%	388.62	1,382.31
11/4/2016	461.54					
11/18/2016	461.54	923.08	70.62	42.10%	388.62	1,382.31
12/2/2016	461.54					
12/16/2016	461.54					
12/30/2016	461.54	1384.62	105.92	42.10%	582.93	2,073.47
1/13/2017	461.54					
1/27/2017	461.54	923.08	70.62	42.10%	388.62	1,382.31
2/10/2017	461.54					
2/24/2017	461.54	923.08	70.62	42.10%	388.62	1,382.31
3/10/2017	461.54					
3/24/2017	461.54	923.08	70.62	42.10%	388.62	1,382.31
	<b>17,538.52</b>	<b>17,538.52</b>	<b>1,341.70</b>		<b>7,691.10</b>	<b>26,571.32</b>

Approved by City Manager: \_\_\_\_\_  
 Johathan Evans, City Manager  
 Date: \_\_\_\_\_