



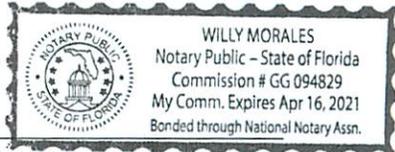
# MEMORANDUM

Date: June 19, 2018  
 To: To Whom It May Concern  
 From: Terry Henley, Assistant Budget Director  
 RE: Memorandum for Record

*T. Henley*

*Willy Morales*  
06-21-2018

FLDL H540 814 830170



The purpose of this memo is to document concerning events and decisions that have occurred since June 2017 to present in regards to the City's Budget.

On June 18, 2018, I was called to the Deputy City Manager's Office to discuss the hard-copy report I submitted, *General Fund Reconciliation Draft June 13, 2018*, that detailed a \$22M deficit in the development of the FY19 Preliminary Budget. I explained that after omitting supplemental requests and raises, the true deficit is less than \$8M and is the result of growing operational expenses, the hiring of unbudgeted employees, exceeding the general fund budget for three years (\$1.6M in FY16, \$1M in FY17, estimated \$1M in FY18), and the Deputy City Manager's direction from the City Manager to add non-reoccurring revenue in the FY18 budget of \$3M from SoleMia and \$2M from Costco at SoleMia. The Deputy City Manager, Arthur Sorey, stressed that he told Council he has nothing to do with the Budget and the consequences will be all my fault and he "felt sorry" for me and that I would be "the fall guy on this one". I told the Deputy that I have been following directions from management, especially after my job I have been doing for three years was advertised November 2017.

Further, I shared how I have been on thin ice and have done exactly as instructed even when there was no budget for new employees and events (like the \$300k Madi Gras event they text me to not say anything about) because if I did fight spending, then the City Manager would have fired me and found someone else. The Manager's Office has been getting periodic reports throughout this year and last showing the deficit and the negative financial impact of their decision making. Lastly, I reminded the Deputy that he was a budget decision maker contributing to the deficit spending and he was the authority who gave me and my staff the direction to add a \$-550k hiring freeze in expense savings (never implemented but was in adopted budget to balance) as well as \$5M from SoleMia revenue to the FY18 budget. The enclosed report also had my hand written note about the City Manager showing me a letter from SoleMia that included another non-reoccurring revenue (\$10M this time) to be included in the FY19 budget to balance. The Deputy said he was not aware of the \$10M proposed deal. .

The Deputy told me again that I was at fault and needed to fix this because, if I am not fired first, I will be next after the City Manager is fired around September/October this year. I reminded him of the legitimate plan to balance I emailed him last year and I will provide another one this year and serious, uncomfortable cuts will need to be made this time to balance soundly. This conversation was immediately shared with Terrie Boulton, Administrative Coordinator.

This was not the first time the Deputy City Manager threatened to fire me or tell me I do not belong in North Miami. When I was hired, I was told I had five years, according to Arthur Sorey. "This is a black city. A Haitian city." This racial remark was made on a number of occasions in regards to my realistic impediments to any ascension in the organization, even when I was promoted in 2015 to Assistant Director (Acting Director). He told me that I didn't have much time left and if I got lucky enough to get through the next few years, then maybe I would have a chance at management if North Miami would ever become a "white city" after development. In November 2016 I was ordered to hire John Lorfils as a Budget Analyst. Then in November 2017, the Deputy City Manager removed Lorfils from my office and promoted him to a newly created, unbudgeted contract compliance manager position. The Deputy also told me that I was going to be demoted because the City Manager was unhappy with me and they were going to use that vacancy to advertise and hire someone as the permanent Budget Director. The Deputy Manager later urged me at different times to apply for other jobs outside the City. The Director position is still advertised to date and I have had no discussions with management about it. The City Manager has not given me any negative feedback about my performance. I was told by Personnel that the Deputy was the one who requested the advertisement. From what I have gathered about the Deputy City Manager over five years of working with him is that he is ethically challenged and responsible for the termination, hiring or relocation of many employees (in one case to Tampa) in North Miami for his own benefit.

Enclosed: *General Fund Reconciliation Draft June 13, 2018.*

**EXHIBIT**  
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