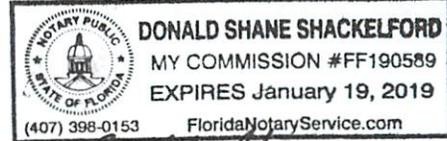


MEMORANDUM



Date: August 1, 2018
To: To Whom It May Concern
From: Terry Henley, Assistant Budget Director
RE: Memorandum for Record

T. Henley

Donald Shane Shackelford 8/1/2018

The purpose of this memo is to document recent events concerning the Budget and the City of North Miami.

On June 30, 2018, the Deputy City Manager, Arthur Sorey came to the Budget Office in response to the July 14 General Fund Reconciliation report and FY19 Draft Budget report that demonstrates a \$14,955,678 deficit, which includes a plan to balance. The Deputy asked to show me an account in the Building department in the financial management system. Terrie Boulton, Budget Coordinator and Roy Brown, Budget Analyst were present.

The Deputy City Manager asked about the year-end estimates for expenses and proposed budget for the Building Department and why I allowed a large budget for outside wages. I explained that increased development (SoleMia) will mean more workload for that department. He told me I need to cut that expense and undercut the year-end estimate. I explained that the city uses building permit revenue for the general fund and that is not allowable in other cities. Building revenue is restricted to building expenses. Further, I said that we collect approximately \$3M in permit revenue and that money should be used towards permit and building functions so if that department is requesting use of that money, then it should be allowed. Specifically, out of the \$3M in revenue collected, the building department only receives less than \$1.8M. The Deputy ignored this admonishment and instructed me to recalculate all the year-end estimates to determine this year's surplus/deficit that impact to next year's available revenue. I explained to him that "the fact are the facts" where the city was over budget by close to \$2M two years ago, almost \$1M last year, and will likely be over budget this year. The Deputy went on a verbal rampage cursing me out and screaming in front of the entire staff. He said "Fuck" a dozen times as he said it was my fault he was going to have to terminate people and I am to blame, especially since I am not working the weekends like him and this deficit is my fault, as I am not doing the work. This of course is not true since I work the weekends. Nevertheless, I said nothing, though I knew if the year-end estimates are calculated again, the \$500k would not be much different or could get worse with the latest data on overspending. My thoughts are that we do not have a budget or planning problem; the city has a deficit spending issue.

Ten minutes after the Deputy City Manager cursed me and stormed out of my office, the Chief of Staff came in my office and told me and Roy Brown to go home without giving a reason. I called the HR Director, Joe Roglieri, and told him what happened. He said that he was unaware and should know. I also told the Director I was concerned this was retaliation for my candidacy to as a finalist to be City Manager for another municipality in Florida and also that I would record this in a memo for record.

The Deputy City Manager came back to my office on July 31 and encouraged Roy Brown to seek savings in the year-end estimates. I am concerned he wants an underestimation of the expenses in order to move speculative funding over for next year.

Today the Deputy City Manager called me into his office to hand me a written reprimand calling out my lack of effort and attention to detail. The allegation is a vague, bogus attempt to blame me for a budget crisis caused by management's overspending and fake non-reoccurring revenue.

Note: July 14 General Fund Reconciliation Report & FY19 Draft Budget report can be found via public records request for Terry Henley sent email on July 30, 2018. This was a hard copy document distributed to management on Saturday, July 14.