

MINUTES
FORT MYERS BEACH
AUDIT COMMITTEE
Town Hall
2525 Estero Boulevard
Fort Myers Beach, FL 33931

Tuesday, January 15, 2019

I. CALL TO ORDER

Meeting was called to order at 1:00 P.m. by Chair Rodwell. Members present: Dick Cote (arrived at 1:07), John Goggin, Dan Hughes (arrived late) Edward Lombard and James Rodwell.
Staff Liaison: Finance Director Robert Lange

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF DECEMBER 10, 2018 MINUTES

MOTION: Mr. Goggin moved to approve the October 8, 2018 minutes; second by Mr. Lombard.

VOTE: Motion passed unanimously.

IV. UNAUDITED BUDGET AT A GLANCE REPORTS

Director Lange provided the November and December reports. He stated that December expenses were typical and they were running at a 25% position on a pro-rata basis. The revenues for water were higher than expenses at the present time. He noted that \$676,000.00 was spent in operating expenses for the current year and \$580,000.00 was spent on capital disbursements in the water fund. He indicated that the gas tax fund numbers contained an error and will be revised. TDC (Tourist Development Council) operated on a reimbursement system and was reported on a quarterly basis. He commented that revenues were down and expenses were up and that will be the same throughout the year. Stormwater collected \$200,000.00 but only \$10,000.00 was in expenditures. He noted that reimbursements would be identified as loan proceeds as they came in and he will provide a line item for the capital expenditures in the future.

Mr. Goggin questioned how he determined the year-to-date budget. Director Lange replied that it was 1/12 times 1 or 2. He indicated that the general fund spending was monitored and what they spent indicated where they were in relationship to their budget. If departments spent less than 25% after one quarter of the year, they knew they were staying on track. Mr. Lombard noted there were ways of reflecting previous expenditure patterns. Director Lange responded that they were collecting data and would provide that information in the future.

Mr. Lombard stated that there appeared to be a discrepancy between general fund expenditures through December and the summary chart at the bottom of column one. Director Lange confirmed that the revenues and expenditures were reversed and he will correct both reports.

Mr. Lombard questioned whether there was a list of what projects had been charged. Director Lange replied that he had the information but it was not on the chart. Mr. Lombard questioned how they could obtain the information. Director Lange responded that he had a fund that illustrated

the figures for each project and he will provide that information in future meetings. Mr. Cote commented that the report was difficult to read and questioned whether it could be presented on multiple pages with a larger font. Director Lange responded affirmatively.

V. PROSOFT, ABILA AND CLIFTON LARSON ALLEN LLP CONTRACTS

Mr. Goggin stated that the contract was boiler-plate but they needed the work flows to identify the real cost in order to map to the contract so they knew the full cost moving forward. He indicated that they could not perform a risk analysis until they had the work flows and manuals. The contract discussed an exit transition but they also needed an exit strategy. He noted that a retention policy was not mentioned and the rights to change a feature in the contract terms were not adequately addressed. He questioned offsite storage and data. Director Lange replied that he was working with IT to set up a fall back system, which will be maintained in Orlando. Mr. Goggin suggested that they look into finding somewhere other than Orlando due to similar weather patterns. Director Lange will research options and report back to the committee.

Mr. Goggin questioned whether they provided a work plan for implementation. Director Lange responded that the information was available.

VI. RECOMMENDED HANDBOOK FOR BOARDS AND COMMITTEES

Director Lange provided the handbook from Marco Island. Mr. Lombard expressed his negative opinion of the document. He explained why it was an unfortunate extension to the good ordinance that was adopted by Council. He read the Rules and Procedures under the ordinance, which stated that the Town Manager prepared standard rules and procedures for the conduct at meetings. He read the corresponding section from the Marco Island document and noted that it was probably the only statement that was appropriately taken from the document. He would like to see reference to Robert's Rules of Order, for example.

Mr. Hughes heartily endorsed Mr. Lombard's statements and he thought the document was redundant and unnecessary. He felt that the staff should provide a draft of something that was relevant to their municipality, not another community. Chair Rodwell did not think it was the Audit Committee's job. Mr. Hughes pointed out that most of the advisory committees had individual rules and procedures to follow. Mr. Lombard added that he moved to conduct their meetings under Robert's Rules of Order until they heard otherwise. Mr. Cote questioned whether the Council was taking action on the issue. Director Lange replied that the Audit Committee directed him to find out what the Town Manager's recommendation was on rules to guide meetings. Mr. Lombard indicated that the Marco Island document did not contain rules and procedures.

VII. MEMBER ITEMS

Mr. Goggin – no items.

Mr. Cote – no items.

Mr. Hughes – apologized for being late. He questioned Director Lange's statement that the County was responsible for the water main. Director Lange replied that the County was installing the water main on Estero Blvd. and the Town was doing the work on side streets. Mr. Hughes raised the issue of meeting dates for the Audit Committee. He noted that when Council changed their meeting dates, all other committees had to adjust their schedules. Mr. Goggin questioned whether

Director Lange would post their meeting dates on the calendar for the rest of the year. Director Lange replied that they should look at a calendar to determine the best meeting dates. Mr. Lombard suggested that they set their standard meeting date for the second Monday of every month at 9:00 a.m. Director Lange will work on the schedule.

VIII. PUBLIC COMMENT

Leon Moyer suggested that they use the screen to display items not provided to the public. He read Ordinance 18-06 regarding the Audit Committee, which referenced Florida Statute 218.391. He noted that, according to the Statute, the Audit Committee was only responsible for choosing an Audit Company. He felt they were getting carried away on procedural matters and suggested that they have Council clarify their domain.

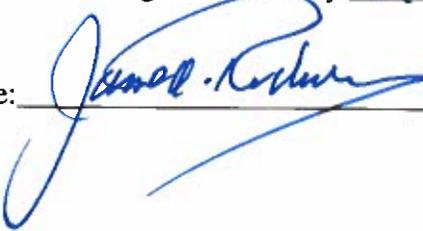
IX. ADJOURN

MOTION: Mr. Lombard moved to adjourn the meeting; second by Mr. Cote.

VOTE: Motion passed unanimously.

Meeting adjourned at 10:47 a.m.

Adopted 4/8/2019 with/without changes. Motion by Ed Lombard
(DATE)

Vote: 4-0 Signature: 

- End of document