

MINUTES
FORT MYERS BEACH
AUDIT COMMITTEE
Town Hall
2525 Estero Boulevard
Fort Myers Beach, FL 33931
Tuesday, August 22, 2017
(Audio broke up in sections prior to VII.)

I. CALL TO ORDER

Meeting was called to order at 1:00 p.m. by Chair Rodwell. Members present: John Goggin (via Skype), Dan Hughes, Edward Lombard and James Rodwell.

Excused: Dick Cote

Staff Liaison: Maureen Rischitelli

II. PLEDGE OF ALLEGIANCE

III. PUBLIC COMMENT - no public comment.

IV. APPROVAL OF MINUTES - May 10, 2017

Under Member Items and Reports, the following paragraph should be last: Consensus was reached to not change the ordinance. Discussion was held regarding the current criteria and governmental experience. Mr. Lombard liked the criteria as it stood.

MOTION: Mr. Hughes moved to approve the minutes as amended; second by Mr. Lombard.

VOTE: Motion passed unanimously.

V. INTRODUCTION OF ROBERT LANGE

Mr. Lange introduced himself and reviewed his qualifications.

VI. FINAL REVIEW OF COMMITTEE ORDINANCE AND ANY PROPOSED UPDATES & RECOMMENDATIONS TO COUNCIL ON THE ORDINANCE SO STAFF CAN PROVIDE WRITTEN REPORT TO TOWN CLERK

Discussion was held regarding term limits.

MOTION: Mr. Lombard moved to suggest to Council that the following be deleted under Sec. 2-451 (c) Appointments: "...and may not be appointed to more than two (2) full consecutive terms..."; second by Mr. Lombard.

VOTE: Motion passed unanimously.

MOTION: Mr. Lombard moved that all future audit reports shall be evaluated and their acceptance recommended to Town Council prior to Town Council accepting the

audit report and that the recommendation be included in the resolution; second by Mr. Hughes.

VOTE: Motion passed unanimously.

MOTION: Mr. Hughes moved to add the following sentence to Sec. 2-452: The committee may also suggest projects of a financial nature to Council for their consideration and approval; second by Mr. Lombard.

VOTE: Motion passed unanimously.

VII. PRELIMINARY BUDGET SUBMITTED TO TOWN COUNCIL FOR AUGUST DISCUSSION

Mr. Lange reviewed the proposed Capital Improvement Plan (CIP). Chair Rodwell questioned whether it would affect the budget. Town Manager Hernstadt explained how the budget would be stabilized for the long term. Mr. Lange explained that the first year debt was in the water fund and the stormwater fund. Mr. Hughes confirmed that the 5-year CIP was a separate document. Mr. Lange described the add-on list.

Chair Rodwell questioned whether Lee County was going to buy back Bay Oaks. Town Manager Hernstadt replied that Lee County staff were evaluating the facility and preparing a report for the County Commissioners. The issue had not been acted upon yet.

Mr. Lombard received clarification from Town Manager Hernstadt regarding a millage rate of .87 versus .9. Town Manager discussed increasing parking from \$2.00 to \$3.00.

Mr. Lombard questioned a reduction in sales tax estimates. Mr. Lange explained how the state provided estimates based on their projections. Mr. Lombard questioned whether funds had been spent on the IT system. Town Manager Hernstadt replied in the negative and he indicated that they anticipated having a new firm within approximately 30 days.

Town Manager Hernstadt explained that the gas tax transfers were done in a way to maintain transparency.

Mr. Lombard questioned where the stormwater construction was located in the stormwater presentation. Mr. Lange replied that the stormwater program was in the process of being constructed and he referred to a previous report presented by Jim Steele. Town Manager Hernstadt explained the process of rolling money over a 45-60 day period. Mr. Lombard stated that he would like to see the flow of funds. Town Manager Hernstadt noted that they were in the process of developing that information. Discussion was held regarding the lack of an estimate for the cost of the stormwater project.

Mr. Hughes suggested that a narrative would be helpful. Town Manager Hernstadt agreed. Mr. Lange noted that he included fund highlights. Mr. Hughes questioned the location of reserves. Mr. Lange stated that he created a schedule of reserves. Town Manager Hernstadt confirmed that reserves would be reflected in the budget.

Mr. Hughes questioned why the dollars in the beach water utility and stormwater fund on page 2 were different than the pie chart on page 3. Mr. Lange indicated that it was an error and he will distribute the correction.

Mr. Goggin posed a question (mostly inaudible) regarding a dollar amount and vehicles. Town Manager Hernstadt explained that they looked at the service life and the year due for all vehicles, equipment and other assets. The number was spread out over five years and longer. Town Manager Hernstadt replied to Mr. Goggin regarding a portfolio and he stated that it was 90% complete.

VIII. UPDATES FROM STAFF - Reappointment Reminders and Financial Software Systems

Not addressed.

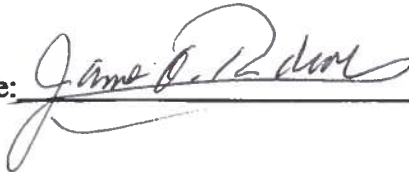
IX. ADJOURNMENT

MOTION: Mr. Lombard moved to adjourn; second by Chair Rodwell.

VOTE: Motion passed unanimously.

Meeting adjourned at 2:37 p.m.

Adopted 11/13/2017 with/without changes. Motion by Ed Lombard
(DATE)

Vote: 5-0 Signature: 

• End of document

1st Ed Lombard
2nd Rich Dote