

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

Monday, April 11, 2022

I. CALL TO ORDER

The meeting was called to order at 9:05 a.m. by Vice Chair Lombard.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

Members present: Richard Cote, Edward Lombard and Bryan Thomas.

Excused: Jim Steele

Council Liaison: Ray Murphy

Staff Liaison: Cheri Russ

IV. APPROVAL OF MINUTES – January 12, 2022

Clarification: Chair Steele stated that no one from the Auditors attended the Audit Committee meeting to present the budget audit.

No quorum – minutes not adopted.

V. PUBLIC COMMENT – no public comment.

VI. ITEMS FOR DISCUSSION

A. Preliminary Audit Results

Vice Chair Lombard noted that the town's finances improved from last year. Liaison Russ stated that Wade Sansbury (Mauldin & Jenkins) was attending the meeting via Zoom. Vice Chair Lombard questioned the higher charges for services and projections for intergovernmental revenues. Liaison Russ replied that a big part was \$820,000.00 from Lee County for the landscape on Estero Blvd.

Audit Committee Member Cote questioned whether there were any issues in the management report. Mr. Sansbury replied that the increase in charges for services resulted from an increase in parking revenue and the effect of Covid last year. He indicated that the yellow book report would probably include repeat findings related to capital assets, debt and accounts payable in addition to accounts receivable. He added that the delay in finishing the audit was due to the time it took to correct accounts receivable entries. He explained that the changes in staffing over last year made it difficult to fully implement and make adjustments to the accounting system. Mr. Sansbury stated that when

the auditors came in, they had to make many journal entries to clean up accounts payable and receivable and properly record capital asset activity. As a result, the controls were not really in place to ensure that the information was accurate. He clarified that controls were in place, but the balances were not correctly recorded. He agreed that coding errors were part of the problem, and it was a system-oriented issue. Mr. Sansbury described multiple accounts in the same fund that should not be there and noted that it was difficult to reconcile them. He commented that the town needed a more advanced accounting system. Audit Committee Member Cote remarked that they had just purchased a new accounting system a couple of years ago.

Liaison Russ felt the system was not initially set up correctly and there was a lot of cleaning up to do. The current system was designed for a non-profit entity, not the government and the town was researching new systems.

Vice Chair Lombard questioned who the stormwater fund suppliers were. Mr. Sansbury explained that there were quite a few repair and maintenance expenses last year and general operating costs.

Mr. Sansbury thought they would finalize the audit within a couple of weeks.

B. Scope of Work for Audit Bid

Liaison Russ stated the request for proposals was coming up in June.

VII. MEMBER ITEMS AND REPORTS – no items.

VIII. NEXT MEETING – May 9, 2022

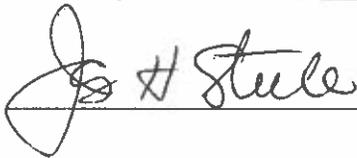
IX. ADJOURNMENT

MOTION: Audit Committee Member Cote moved to adjourn the meeting; second by Audit Committee Member Thomas.

VOTE: Motion passed unanimously.

The meeting was adjourned at 9:22 a.m.

Adopted MAY 9, 2022 with/without changes. Motion by ED LOMBARD
(DATE)

Vote: 4-0 Signature: 

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