

1. Requested Motion:

Set a public hearing for ordinance 11-06, Audit Committee, for Monday August 15, 2011 at 6:30 PM.

Meeting Date: Aug 1, 2011

Why the action is necessary:

To authorize organization of a committee to assist in the selection of an auditing firm for the Town.

What the action accomplishes:

2. Agenda:

Consent
 Administrative

3. Requirement/Purpose:

Resolution
 Ordinance
 Other

4. Submitter of Information:

Council
 Town Staff
 Town Attorney

5. Background:

The primary purpose of the audit committee, as contemplated in Section 218.391, Florida Statutes, is to assist in the selection of an auditor to conduct the annual financial audit as required by Section 218.39, Florida Statutes. The duties of the audit committee shall include:

- Establishment of factors to be used for the evaluation of audit services to be provided by the audit firm.
- Public announcement of an RFP.
- Provision of interested firms with the RFP.
- Evaluation of proposals provided by qualified firms.
- Ranking and recommendation in order of preference of no fewer than three firms deemed to be the most highly qualified to perform the required services.

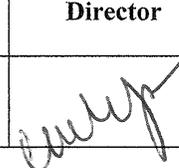
6. Alternative Action:

None

7. Management Recommendations:

Authorize development of an Audit Committee

8. Recommended Approval:

Town Manager	Town Attorney	Finance Director	Public Works Director	Community Development Director	Cultural Resources Director	Town Clerk
						

9. Council Action:

Approved Denied Deferred Other

ORDINANCE NO. 11-06

AN ORDINANCE CREATING CHAPTER 2, ARTICLE IV, DIVISION 11, IN THE TOWN OF FORT MYERS BEACH CODE OF ORDINANCES, TO BE ENTITLED "AUDIT COMMITTEE," PROVIDING FOR CREATION AND PURPOSE; MEMBERSHIP; DUTIES; MEETINGS; SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Chapter 218, Part III, Florida Statutes contains the Uniform Local Government Financial Management and Reporting Act; and

WHEREAS, Section 218.391, Florida Statutes provides that each local government shall establish an Audit Committee to assist the governing body in selecting an auditor to conduct the annual financial audit required by Section 218.39, Florida Statutes.

IT IS HEREBY ORDAINED BY THE TOWN OF FORT MYERS BEACH AS FOLLOWS:

Section 1. Chapter 2, Article IV, Division 11 in the Town of Fort Myers Beach Code of Ordinances is hereby created as follows:

DIVISION 11. AUDIT COMMITTEE

Sec. 2-450. Creation and Purpose.

(a) There is hereby established an Audit Committee to be composed of members appointed by the Town of Fort Myers Beach Town Council.

(b) The purpose of the Audit Committee is to serve in an advisory capacity to the Town Council in the selection of an auditor to conduct the town's annual financial audit.

Sec. 2-451. Membership.

(a) **Members.** The Audit Committee shall consist of five (5) members who shall be selected based on their qualifications and willingness to serve.

(b) **Eligibility.**

(1) All members of the Audit Committee shall be Town residents who do not have any direct financial or business interests involving the Town. Town Council may waive the residency requirement by majority vote if there are an insufficient number of applicants who reside in the Town.

(2) The composition of the Audit Committee shall be consistent with the "Auditor Selection Guidelines" dated 2007 and promulgated by the Auditor Selection Task Force established by the State of Florida Auditor General's Office.

(3) All members should, through education and experience, possess a basic understanding of governmental financial reporting and auditing. At least one member of the Audit Committee shall have accounting, auditing, or related financial management expertise that is specifically relevant to the government sector.

(c) Appointments. Members of the Audit Committee shall be appointed by the Town Council for terms of four (4) years and may not be appointed to more than two (2) full consecutive terms provided, however, that when the Audit Committee is first established, the terms of the members shall be staggered and three (3) members shall be appointed to serve an initial term of four (4) years and two (2) members shall be appointed to serve an initial term of two (2) years.

(d) Quorum. Three (3) members shall constitute a quorum.

(e) Forfeiture of Membership.

(1) Membership on the Audit Committee shall be forfeited if a member is absent from two (2) of three (3) consecutive regularly scheduled meetings of the Audit Committee.

(2) A member shall forfeit their membership on the audit committee for cause if the member:

- a. No longer meets eligibility requirements;
- b. Violates any express prohibition imposed by the Town Council or law;
- c. Is convicted of a felony; or

d. Is guilty of habitual public drunkenness, corruption, incompetence or some other substantial shortcoming which renders the member's continuance in office in some way detrimental to the discipline and efficiency of the service and which the law and sound public opinion

recognize as good cause for forfeiture of office. Forfeiture of membership for cause shall, upon request of the affected member, entitle the member to a public hearing before the Town Council to refute or contest the reason for forfeiture.

Sec. 2-452. Duties. The Audit Committee shall assist the Town Council in selecting an auditor, in accordance with the provisions of Section 218.391, Florida Statutes, to conduct the Town's annual financial audit required by Section 218.39, Florida Statutes.

Sec. 2-453. Meetings.

(a) The Audit Committee shall meet as often as necessary in order to adequately advise the Town Council concerning selection of the external auditor. All meetings are considered public meetings and the town Clerk shall be responsible for meeting notification and minutes.

(b) All meetings shall be open to any member of the public, minutes of each meeting shall be promptly recorded, and such records shall be open for public inspection.

Section 2. Severability. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 3. Effective Date. This ordinance shall take effect immediately upon adoption by the Town Council.

The foregoing Ordinance was adopted by the Town Council upon a motion by _____ and seconded by _____ and upon being put to a vote, the result was as follows:

Larry Kiker, Mayor
Joe Kosinski
Alan Mandel

Bob Raymond, Vice Mayor
Jo List

DULY PASSED AND ADOPTED THIS ____ DAY OF _____ 2011, BY THE
TOWN COUNCIL OF THE TOWN OF FORT MYERS BEACH

ATTEST:

By: _____
Larry Kiker, Mayor

By: _____
Michelle D. Mayher, Town Clerk

Approved as to form and legal sufficiency:

By: _____
FOWLER WHITE BOGGS, Town Attorney

