

**MINUTES**  
**FORT MYERS BEACH**  
**AUDIT COMMITTEE**  
Town Hall - Council Chambers  
2523 Estero Boulevard  
Fort Myers Beach, FL 33931

**Tuesday, October 14, 2014**

**I. CALL TO ORDER**

Meeting was called to order at 2:02 p.m. by Chair Rodwell. Members present: Dick Cote, Daniel Hughes, Edward Lombard, James Rodwell, and James Steele.  
Council Liaison: Rexann Hosafros.  
Staff Liaison: Lisa Kolar

**II. PLEDGE OF ALLEGIANCE**

**III. PUBLIC COMMENT**

No public comment.

**IV. APPROVAL OF MINUTES of September 3, 2014**

Mr. Lombard's motion on Page 2 was seconded by Mr. Cote.

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

**VOTE:** Motion passed unanimously.

**V. CURRENT ITEMS**

**A. Discuss Appointing a new Chair/Vice Chair**

**MOTION:** Mr. Lombard moved to rename Jim Rodwell as Chairman; second by Mr. Steele, Mr. Lombard withdrew his motion.

**MOTION:** Mr. Hughes moved to not reorganize and retain the current Chair and Vice Chair; second by Mr. Lombard. *Mr. Steele*

**VOTE:** Motion passed unanimously.

**B. Discussion of FY2014 Audit - Leanne Cross, CPA with Mauldin & Jenkins**

Chair Rodwell indicated that the audit must be completed on time and he asked Ms. Cross to bring issues to the Audit Committee at once. Chair Rodwell stated that the financial statements would be presented to the Audit Committee before Council.

*presentation.*

*Mr. Hughes  
reorganized  
revised  
whenever*

*instead*  
✓  
Ms. Cross asked whether the committee wanted to see the audit in draft mode. Chair Rodwell replied in the affirmative. He stated that a special meeting would be scheduled to review the draft. Mr. Hughes questioned lead time for review. Ms. Cross reviewed the steps in their process. She noted that she would forward the information to the committee in March. Chair Rodwell questioned Ms. Cross regarding a new accounting system. Ms. Cross responded that some of her clients switched to Tyler Munis and she would provide names for reference.

Mr. Steele reviewed the Letter of Engagement. He questioned the definition of material in the impact to financial statements. Ms. Cross replied that clients were not informed of the materiality level because if they did, fraudulent transactions could transpire underneath that threshold. He questioned their experience with billings by the water utility and the lack of a completion date in the letter.

Mr. Cote pointed out that there would be write-offs involving the water system project.

#### C. Stormwater Financing

Chair Rodwell reviewed the following options for obtaining funds.

- The Florida League of Cities, which would involve going into debt by issuing bonds. Mr. Hughes indicated that revenue bonds would require a referendum per the charter.
- Increase the sales tax
- State revolving fund for water projects. Chair Rodwell described details.

Discussion was held concerning the capital reserve charge on utilities and impervious *SURFACE* credit. Chair Rodwell provided copies of the stormwater master plan.

#### D. September 30, 2014 Financials - unaudited

Ms. Kolar reported that adjustments were progressing.  
Discussion was held regarding the new administrative hire.

### VI. MEMBER ITEMS AND REPORTS

Mr. Steele pointed out that he had not been updated regarding the under billing at Red Coconut. Ms. Kolar stated that she would follow up with Mr. Baker.

### VII. SET AGENDA FOR NEXT MEETING

### VIII. PUBLIC COMMENT

No public comment.

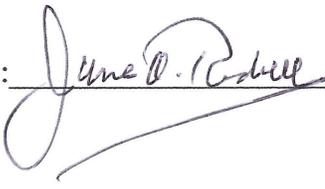
### IX. ADJOURNMENT

**MOTION:** Mr. Lombard moved to adjourn; second by Mr. Cote.  
**VOTE:** Motion passed unanimously.

Meeting adjourned at 3:00 p.m.

Adopted 11/2/2014 with/without changes. Motion by Ed Lombard  
(DATE) and Dan Hughes

*Approved as amended*

Vote: 5-0 Signature: 

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