

APPROVED

City of Fort Lauderdale
Audit Advisory Board
February 14, 2005

Attendance:	<u>Absent/Present</u>	<u>Cumulative from January '04</u>	
		(P)	(A)
Kevin Blair	P	1	0
Mark Burnam	P	1	0
Thomas F. Jordan	P	1	0
Harry Sweeney, Chairperson	P	1	0
Norman W. Thabit, Vice Chairperson	P	1	0

Ex-officio Members

Raymond Mannion, Director of Finance
Joanne Rizi, Controller

Others

Stephen Scott, Assistant City Manager
Allyson Love, Director of the Office of Management and Budget
Cynthia Borders-Byrd, Ernst & Young LLP
Alyson Silva, Ernst & Young LLP
Linda Cohen, Secretary III to Director of Finance

Chairperson Sweeney called the meeting to order at 4:35 PM. A roll call confirmed that a quorum was present. The Board proceeded to review the draft minutes of the November 8, 2004 meeting and the minutes were approved unanimously.

Chairperson Sweeney introduced discussion regarding the City Manager's Audit Status Report. Members of the Board expressed concern about the number of auditor recommendations still not implemented to date. Allyson Love advised that the City Manager is still working on this, and Stephen Scott assured the Board that a progress report regarding the auditor recommendations not yet implemented would be presented at the next meeting.

Messrs. Jordan and Blair arrived within approximately ten minutes of the beginning of the meeting.

The Board discussed the report presented by Allyson Love - The Summary of Recently Completed Internal Audits - and posed questions to her with regard to multiple cost avoidance issues. The Board stressed that the City should emphasize collection of receivables, as well as writing policy and procedures to manage them in the future.

The DRAFT Report of the Financial Statements was reviewed section by section and Joanne Rizi responded to questions by the Board members. In response to some of the Board's concerns, Mr. Mannion advised that Finance would make certain changes to the verbiage in the CAFR, i.e.: A motion was made that City Staff review the matter of the "unclassified" item for proper classification and exposure. The motion was seconded and passed. *(Please Note: Changes were made and communicated to the Board on*

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February 15, 2005, via Mr. Mannion's Memorandum No. 05-08, "Changes to Comprehensive Annual Financial Report for the year ended September 30, 2004".)

The Board recommended that City staff seek a legal opinion from the City Attorney regarding bond funds that are at least ten years old (i.e.: \$76,000 remaining undesignated in 1993 Excise Tax Construction fund), to determine if funds should be used to redeem the bonds or reallocated to supplement other bond projects. This item is to be added to the agenda of the next Board meeting.

Allyson Love stated that a timeline would be required with regard to responses from Department Directors concerning implementation of recommendations from the auditors. Guidelines, as they relate to the City Commission re travel, were also discussed. These items will be reintroduced for discussion at the next Board meeting.

Ernst & Young (E & Y) presented the results of their work and provided a written presentation, "Audit Results and Communications", along with other required communications. In addition, E & Y advised that the Single Audit would be conducted in April.

Chairperson Sweeney noted that there is no procedure in place for complaints (format or procedure), and suggested that the Board discuss this further at the next meeting. Item to be placed on the next agenda.

The next meeting of the Board is scheduled for May 1, 2005.

The meeting was adjourned at 6:00 p.m.