

City of TYBEE ISLAND
Audit Committee Meeting
Monday, July 14, 2008
4:00 PM
Tybee Old School – Room 7

MINUTES

Member Attendance: John Major, Freda Rutherford, Bill Blakey, Alfie Waite & Jim Anderson

Council Liaison: Dick Smith

Staff: Bonnie Kline

John Major called the meeting to order at 4:00 PM

Dick Smith said that he had to leave early so he wanted to do the Municode update first. He handed out an email from City Clerk Vivian Woods:

Dick, the Municode supplement draft has been received by Tybee and is waiting my review to make sure the ordinances that have been inserted are correct. Unfortunately, I have not had time to complete the review of the document (444 pages), I asked for Brannyn Allen, Diane Otto, Major Case and Bubba to review the document but I have not received a confirmation of them having completed their reviews either. I know this is frustrating for the community but all of the amendments are located on our website for public access. Once the two-year supplement is done regular updates will occur quarterly or semiannually. If the Audit Committee would like to take the supplement review on as a project I would welcome their help in insuring the supplement has been done correctly.

John said that his concern was that nothing in the ordinance shows that there is an amendment. Unless someone is aware of the amendment they wouldn't know to go to the website. Dick said the ordinances are being rewritten and questioned whether this project was worthwhile. Freda asked if the rewrite will start from a blank piece of paper or a mark-up of existing ordinances? Dick said it will be a rewrite. Freda said the existing Municode contract needs to be rationalized. Dick said other communities are impressed with Municode but if it's garbage- in, it's garbage out. Dick said his opinion is that the project has not be well managed.

Jim Anderson moved, Bill Blakey seconded, to approve the minutes from the June 9, 2008 meeting. All approved

2007 Audit Report

John Major passed out an email exchange between him and Craig Moye, Auditor. He asked Bonnie for her opinion as to why we don't have a report. *She said she had spoken*

with David Irwin, who is putting together the package and she thinks they have everything they need now.

Audit Schedule

John asked *Bonnie* about the corrective action plan. She said they are working on it. *While some attention has been given to corrective action from the audit findings, she will wait for the report before finalizing them.* (Note: Craig's email states that the fieldwork *for the audit for the current fiscal year, January1 – June 30, 2008*, will begin on October 20, 2008.)

Independent Audit RFP or Contract Extension for PY 09

John said he has reviewed the file and the last audit to occur under the current contract *extension* with *Mauldin* and *Jenkins* is for the period ended June 30, **2008**. *Bill* asked is there is a requirement for when to lock up a new auditor? *John* replied that when the new members come on-board that should be when the audit is let. Discussion followed regarding *Tybee* audit history and *M & J* performance.

Budget Review – highlights of the budget vs. actual through June 30, 2008

Bonnie handed out the budget vs. actual, the *2008 Millage, City of Tybee Island, the General Fund Adopted Budget for FY2009, and a Request for Proposal for Curbside Collection of Residential and Commercial Waste and Collection of Recyclable Materials.*

Freda requested that the budget review be carried over until the August since *Bonnie* has to leave early and since it is the year-end budget which needs careful review.

Bonnie said that the Water and Sewer study recommends some increases in revenues to cover debt. *Freda* asked how far back they are going. *Bonnie* relied only to cover current year obligations. *John* noted that there is less than a \$100,000 projected deficit in the Campground budget. He said that *he had reviewed* Generally Accepted Accounting Practices (GAAP) and there is no requirement that enterprise funds be self-sufficient. *Alfie* said that he heard there was complaints *from* hotel & motel owners about competition from the *new cabins being placed in the* campground.

OLD BUSINESS

Undesignated Fund Balance:

Freda noted that in *Bonnie's* email on this subject a 4-month reserve was noted. She said she thought it had been six-months in past years and asked if *Bonnie* would bring year-over-year undesignated fund balances to the next meeting. *Bonnie* agreed.

Municode: See discussion above.

Web page corrections: Freda asked if everyone was satisfied with the corrections that she sent out for review on email? All agreed that the web page information on audit committee membership is now correct.

John announced that the next meeting would be August 11th.

The meeting was adjourned at 5:45 PM.

Respectfully submitted,

Freda Rutherford, Secretary