

City of Tybee
Audit Committee Meeting
Minutes
October 29, 2010

The audit committee met in the old school in room 7 on the above date.

Bill Blakey opened the meeting and thanked everyone for coming.

The minutes of the business workshop were approved.

Water Department: Bill asked for the status of the water billing. Mary Hogan said there were 400 faulty fire flies. Many were replaced with new batteries. Where fire flies have been efficient and cost effective in other parts of the country, our extreme humidity may be a reason for the problems we have. Water rates increased for those who use more than 3000 gallons. There are 3400 meters on the island.

Compensation Related Accruals: Accruals for vacations and pensions were discussed. Pensions were not accrued because they are managed through TS.

Related Party Transactions. Any significant size would be disclosed in the notes to the financial statements.

Cash Flow: Bill asked if the auditors could give us a cash flow statement that is not part of the financial reports and that could be given to council for better understanding and analysis.

Campground: Revenue was discussed. Council voted to record the campground in the general fund which therefore shows a greater loss in that fund. Last year the campground contributed \$200,000 towards the debt and the City of Tybee has contributed \$300,000. Gavin stated that that since this change has happened; it makes it more difficult to analyze the performance of the campground.

Audit Compliance: Bill asked the auditors how they would characterize the findings of compliance. The audit went smooth by 10 fold. The reason for this is the accounting department resolved most of the compliance issues.

Gaven pointed out that the report states the city is not in compliance with the water and sewage billing.

Audit improvements: Bill asked the auditors if there was anything the audit committee should know about to improve the efficiency for next years audit. Mr. Lusk said the only thing at this time is to monitor the fire fly problem with the water billings.

A motion was made by Jan Fox to adjourn, seconded by Gavin and the meeting was adjourned.

Respectfully Submitted
Alfred D. Waite
Secretary