

CITY OF APOPKA

Minutes of the special City Council meeting held on June 17, 2015, at 5:30 p.m., in the City of Apopka Council Chambers.

PRESENT: Mayor Joe Kilsheimer
Commissioner Bill Arrowsmith
Commissioner Billie Dean
Commissioner Diane Velazquez
Commissioner Sam Ruth
Attorney Cliff Shepard
City Administrator Glenn Irby

PRESS PRESENT: John Peery - The Apopka Chief

INVOCATION and PLEDGE OF ALLEGIANCE – Mayor Kilsheimer gave the invocation and then led in the Pledge of Allegiance.

PRESENTATION

1. Comprehensive Annual Financial Report – William Blend, CPA, CFE and Eduardo Castaneda, CPA, from Moore Stephens Lovelace CPAs and Advisors.

William Blend said they were here to perform the required communications in accordance with government audit standards, to go through the audit reports, and then provide a highlight of the entity wide financial statements. He reviewed the letter of communication which advises they followed the appropriate audit standards in their performance of their service for the City. They are here prior to the State of Florida's requirement of having the City's financial statements issued by June 30th. They did not encounter any difficulties in performing and completing their audit.

Mr. Blend reviewed the CAFR and reported they have issued an unmodified opinion, meaning the financial information presented is materially correct. He said they were required to review the internal controls and reported the findings in this report are the highest level of reporting. These findings are in the CAFR starting on page 100, and the CAFR is on file in the City Clerk's office for review.

Pam Barclay, Finance Director, gave a response to the findings and advised during the audit, the unearned revenue balance that should have been recognized stemmed from a grant that was received more than a decade ago and as the money was spent it was to be recognized as revenue. It was on the books as deferred revenue. This has been taken out of deferred revenue and the funds recognized. She said when she started working at the City, the finding was that the journal entries were not being approved at the level of control and that procedure has been implemented. Budget amendments, as Council is aware of, was started and they are

done quarterly. Bank reconciliations were being done and they were complete, they just were not being reviewed and she now reviews these reconciliations. She advised the accounts payable clerk was able to set up a vendor and also pay the vendor, which is obviously a weakness and they have implemented a review of all vendor changes. She affirmed that a mitigating control that has always been in place in that the Finance Director reviews all expenditures. Cash receipts and segregation of duties now has a review in place. She stated the utility deposits are now being signed off on for the daily intake. She affirmed a check log has been implemented that tracks the checks as they come out of the safe through issuance. She said that payroll is under Human Resources and they have adequate controls in place.

REGULAR AGENDA

1. Accept the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2014, to include the independent auditor's report and the schedule of findings and recommendations.

Mr. Blend gave a brief overview of the Comprehensive Annual Financial Report for the Fiscal Year ended September 30, 2014.

MOTION by Commissioner Ruth, and seconded by Commissioner Velazquez to accept the CAFR Report for the Fiscal Year ended September 30, 2014 to include the auditor's report, schedule of findings and recommendations.

Mayor Kilsheimer opened the meeting to public input.

Ray Shackelford inquired what this report cost in comparison to last year and if there were any exceptions in the management level with respect to the City of Apopka. He applauded Council for the opportunity to participate.

No one else wishing to speak, Mayor Kilsheimer closed the public input.

Motion carried unanimously with Mayor Kilsheimer, and Commissioner Arrowsmith, Dean, Velazquez, and Ruth voting aye.

ADJOURNMENT – There being no further discussion, the meeting adjourned at 6:03 p.m.

ATTEST:

Joseph E. Kilsheimer, Mayor

Linda F. Goff, City Clerk