

CITY OF CORAL GABLES
BUDGET/AUDIT ADVISORY BOARD
Minutes of December 17, 2009, 8:00 a.m.
Office of the City Manager
405 Biltmore Way, Coral Gables, Florida

Budget Audit Advisory Board Meeting Minutes

MEMBERS:	J	F#	F	M	A	M	J	J	A	S	O	N	D	APPOINTED BY:
Luis Hernandez ^					-	-	-	P	P	-	P	-	P	Mayor Donald D. Slesnick, II
Roland Sanchez	P	A	P	P	-	P	-	P	P	-	P	-	A	Vice Mayor William H. Kerdyk, Jr.
John Holian ^					-	-	-	P	P	-	P	-	P	Comm. Rafael "Ralph" Cabrera, Jr.
John Lindsey	P	P	P	P	-	P	-	P	P	-	P	-	P	Comm. Wayne "Chip" Withers
Ofelia Fernandez	P	P	P	P	-	P	-	P	P	-	P	-	P	Comm. Maria Anderson

(Dash indicates either no meeting or board member not yet serving)

Staff:

Patrick G. Salerno, City Manager
Lori St. John, Chief Compliance Officer, Internal Audit Division
Carolina McElroy, Internal Auditor

^ = New Member
= Special Meeting

Recording and Minutes Preparation Secretary: Nancy C. Morgan, Coral Gables Services, Inc.

PROCEEDINGS:

The meeting was called to order by Chair Lindsey at 8:06 a.m.

APPROVAL OF OCTOBER 29, 2009 MEETING MINUTES:

Follow up procedures for audit recommendations were discussed. A report on the status of recommendations was requested for the January meeting.

Mr. Hernandez made a motion to approve the minutes of the October 29, 2009 meeting. Ms. Fernandez seconded the motion, which passed unanimously.

AUTOMOTIVE OIL, GREASE AND FUEL PHYSICAL INVENTORY AUDIT: Ms. McElroy

Audit purpose: to determine physical inventory at fiscal year end and ensure sufficient internal controls over purchase and storage of oils, grease and fuels.

Audit period: September 30, 2009

Audit Recommendations resulting from Audit Findings:

- Finance should make the appropriate adjusting journal entry in amount of \$48,981.49 to properly reflect inventory value as of audit date.
- Finance should make a proposed journal entry of \$18,929.52 to remove this purchase from one general ledger expense account and transfer it to the correct general ledger expense account to properly reflect GL account balances as of audit date.
- Finance should ensure that a Port Consolidated \$14,037.90 invoice for fuel purchase is appropriately posted in the appropriate general ledger account to properly reflect GL account balances as of audit date.
- The Automotive Director should continue reviewing and evaluating options available to the City to best meet its needs and ensure compliance with the City's procurement code.

Discussion was held regarding a City fuel purchase bid and contract.

OVERTIME COMPARISON FOR 4TH QUARTER: Ms. McElroy

Overtime for 4th quarter 2007/2008 and 2008/2009 was compared, showing a decrease in overtime of \$370,000 for 2008/2009 over the previous year. Departments that exceeded the 2008/2009 overtime budget were Human Resources, Building and Zoning, and Public Works. Replies from these department directors were presented, reviewed and discussed. Ms. St. John said overtime was substantially reduced due to staff efforts and Board oversight.

UNDERCOVER BANK RECONCILIATIONS REVIEW: Ms. St. John

The quarterly review of bank reconciliations for police undercover operations was conducted for the quarter ending September 30, 2009. Both bank accounts were found to be properly reconciled on a timely basis by appropriate staff members and with the required approval signatures.

NEW BUSINESS:

Parking Facilities: Mr. Holian discussed a cost savings in electricity use that could result by retrofitting parking lot lighting. Mr. Salerno reported that staff is reviewing this area and a breakeven period of approximately four years is anticipated.

City Manager's Comments: Mr. Salerno spoke of financial, organization and structural challenges ahead, and praised Ms. St. John and her staff for their efforts to improve operations and change the culture within the organization. He thereafter responded to Board questions.

There being no further business to come before the meeting, adjournment occurred at 8:45 a.m.

Next Meeting: January 27, 2010, 8:00 a.m., Office of the City Manager

Respectfully submitted,

Patrick G. Salerno
City Manager, Secretary to the Board