

**CITY OF CORAL GABLES
BUDGET/AUDIT ADVISORY BOARD**

Minutes of December 29, 2010, 8:00 a.m.

Conference Room, First Floor, City Hall, 405 Biltmore Way, Coral Gables, Florida

Budget Audit Advisory Board Meeting Minutes

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

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

^ = New Member

Staff:

= Special Meeting

Patrick G. Salerno, City Manager

Donald Nelson, Finance Director

Lori St. John, Chief Compliance Officer, Internal Audit

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

PROCEEDINGS: The meeting was called to order by Mr. Lindsey at 8:12 a.m.

APPROVAL OF OCTOBER 27, 2010 MEETING MINUTES:

Mr. Holian made a motion to approve the minutes of the October 27, 2010 meeting as presented. Mr. Hernandez seconded the motion, which passed unanimously.

MEETING ATTENDANCE:

Ms. Fernandez made a motion to excuse the absence of Mr. Sanchez. Mr. Hernandez seconded the motion, which passed unanimously.

ANNUAL AUDIT PLAN FOR FY ENDING SEPTEMBER 30, 2011:

Ms. St. John presented the FY 2010/2011 annual audit plan, reviewed it item by item and responded to Board questions. Board members requested a copy of the annual pension plan audit and as well as the impact statement.

DISCUSSION RE FINANCE DEPARTMENT FUNCTIONAL REVIEW OF OPERATIONS:

Mr. Salerno summarized the review and report process related to the Finance Department. Referencing the comprehensive nature of the report, Ms. St. John focused on the highlights and most important issues warranting attention, after which Mr. Nelson described action taken to date to address or eliminate areas of concern. Ms. St. John disagreed with various progress assessments cited by Mr. Nelson, specified how and where her opinion differed and especially noted the importance of continuous staff training.

Board questions were addressed. During lengthy discussion, Mr. Salerno commented about solutions and follow through both needed and underway, reiterating the necessity for significant change in the culture within the department. He noted out that the external auditor reached the same conclusion as the internal auditor, and commended Ms. St. John for research and preparation of a thorough report and subsequent follow through. Board members expressed frustration regarding the department's ongoing issues of management oversight and leadership.

There being no further business to come before the meeting, the meeting adjourned at 9:20 a.m.

Next Meeting: Wednesday, January 26, 2011, 8:00 a.m., City Hall Conference Room (first floor)

Respectfully submitted,

Patrick G. Salerno

City Manager, Secretary to the Board