



HISTORIC TOWN OF EATONVILLE, FLORIDA

SPECIAL COUNCIL MEETING

MEETING MINUTES

Monday, August 28, 2023, at 7:00 PM

Town Hall (Council Chamber) - 307 E Kennedy Blvd. 32751

SPECIAL NOTICE: These meeting minutes are presented in an abbreviated format intended as a public record discussion of stated meeting according to the Florida's Government-in-the-Sunshine law. Meetings are opened to the public, noticed within reasonable advance notice, and transcribed into minutes for public record. ***Audio Recording are available through the Town's website on the Council Agenda Page.*

CALL TO ORDER AND VERIFICATION OF QUORUM:

Mayor Gardner called the meeting to order at 7:11 p.m. and a quorum was established through roll call by Mrs. Veronica King

PRESENT: (5) Councilwoman Wanda Randolph, Councilman Marlin Daniels, Councilman Theo Washington, Vice Mayor Rodney Daniels, Mayor Angie Gardner.

STAFF: (4) Demetrius Pressley, **Interim Chief Administrator Officer**, Veronica King, **Town Clerk**, Joseph Jenkin, **Deputy Chief**, Katrina Gibson, **Finance**

INVOCATION AND PLEDGE OF ALLEGIANCE:

Mayor Gardner led the Moment of Silence followed by the Pledge of Allegiance

CITIZEN PARTICIPATION - None

COUNCIL DECISIONS:

Approval of the Town of Eatonville Annual Financial Audit with Carr, Riggs, and Ingram. Heather Mosier, the auditor to present the audit results with an accompanying PowerPoint (Documents Provided). The audit is for the September 30, 2022. The audit includes an unqualified opinion, which is basically a clean report for your governmental activities and your business type activities, the standards report, reporting any deficiencies or material weaknesses, and other compliance findings. There were material weaknesses on financial reporting. You did have a material weakness on financial reporting which is the same finding as last year, due to adjustments made if they are material in nature that creates a material weakness on financial reporting. There is also a non-compliance of debt, a repetitive comment based on the pledged revenue covenant that is not being met. There were adjustments related to some issues with your software system. Hoping the new system being implemented will remove the issues becoming more efficient there. There were corrections or adjustments, for unbilled accounts receivable and revenue. Also, corrected accounts receivable and allowance for bad debt to true up the allowance on bad debt. Corrections were made to depreciation on capital assets for the enterprise fund. Corrected some bond debt on the enterprise. Both adjustments were related to the system issue. There was some funds with the ARPA money that had not been expended. The ARPA money is an expense reimbursement grant. There were expenses made that needed adjustment moving unearned revenue to revenue. There were corrections on payments made to the CRA for the TIFF payment which payments between the CRA and the town needed to both agree. Had some corrections of the due to from accounts, between the general and enterprise fund to zero out itself. There were some large adjustments for lease balances. There's a new lease standard that requires any leases, whether you're a lease holder or a lessee, to record those leases at present value on your balance sheet. You also see some large numbers as a lease receivable and the offset is

on deferred and closed releases. This big adjustment was about \$1. 3 million (the present value of the lease for the entire lease term). There is the management letter the reports any prior findings that have not been corrected. The material weakness on financial reporting has a repetitive comment for a couple years. The debt compliance has been an issue for numerous years. The rate study to get your enterprise fund revenues up will help that covenant to even out. There is a deficit in your enterprise spot or water sewer the rate study generating additional income will help there as well. It is recommended that reconciliations of all the financial records are being done for each of the accounts and each of the funds. In the additional matters section, there's a compliance requirement in one of your SRF loan agreements, to have the audit report completed within nine months to get the audit completed timely. Nothing changed in accounting estimates except these lease receivables based on the present value of your lease for the remaining lease term (can change year to year). Other estimates are related to receivables, allowances for bad debts (That is an estimate). Fair value of investments held is currently through the pension. There were no disagreements with management nor issues discussed prior to the audit. There were no difficulties during the audits. **(WHAT'S NEXT)** This is a draft, the next step is to approve audit today. Thereafter, there will be a management rep letter explaining all items given, the requirements that management holds as part of the audit process, what have been disclosed, and then the appropriate signatures. Upon receipt of signed management rep letter back, the report is issued and finalized with date of council approval. **(DISCUSSIONS)** Clarity was provided on the “due to from” between the enterprise fund and the general funds (not eliminated and not reported on the line item), What is the analysis causing the adjustments (staffing, possibly miscommunication or misunderstanding of governmental accounting, and issues with the software system), There was some complications between the I.M.S. Edmund system. Clarity was provided on the TIFF payment to the CRA (the amount wasn't incorrect, it was a true up from the county that was coming and not recorded), the adjustments due to the integration of software was close to \$1 million, provided explanation on “custodian credit risk” specific to deposits (it a standard disclosure).

Mayor Gardner Motions Approval of the Town of Eatonville Annual Financial Audit With Carr, Riggs, and Ingram to include the corrective action letter; Moved by Councilman Washington; second by Councilwoman Randolph; AYE: ALL, MOTION PASSES..

ADJOURNMENT Mayor Gardner Motions for Adjournment of the Special Council Meeting; Moved by Councilwoman Randolph; Second by Councilman Washington; **AYE: ALL, MOTION PASSES. Meeting Adjourned at 7:29 P.M.**

Respectfully Submitted by:

APPROVED

Veronica L King, Town Clerk

Angie Gardner, Mayor