



CITY OF CALLAWAY, FLORIDA

CITY HALL

6601 East Highway 22, Callaway, FL 32404

Phone 850-871-6000 • FAX 850-871-2444

www.cityofcallaway.com

Mayor

Thomas W. Abbott

Commissioners

Melba Covey

Pam Henderson

Bob Pelletier

Ralph L. Hollister

REVISED PUBLIC NOTICE

WORKSHOP MEETING SCHEDULED

by the City of Callaway Board of Commissioners

on 5th day May, 2015 at 5:00 P.M.

at the Callaway Arts & Conference Center

500 Callaway Park Way

Callaway, FL 32404

AGENDA

CALL TO ORDER

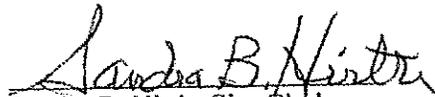
INVOCATION

PLEDGE OF ALLEGIANCE

ROLL CALL

OLD BUSINESS

- ITEM #1 IT Comprehensive Assessment and Computer Service - City Manager Fuller
- ITEM #2 Discussion on Implementation of Auditor's Recommendations - City Manager Fuller
- ITEM #3 Discussion on Springbrook - City Manager Fuller


Sandra B. Hirth, City Clerk

Providing public input is important. It can be accomplished by calling, emailing, making an appointment with your Commissioner, or speaking at a public meeting. After the Board has finished discussing the item, the citizens will be given an opportunity to provide input. Individuals will be limited to three (3) minutes.

If a person decides to appeal any decision made by the City Commission with respect to any matter considered at the meeting, if an appeal is available, such person will need a record of the proceeding and such person may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. Any person requiring a special accommodation at this meeting because of a disability or physical impairment should contact Callaway's City Clerk, at 6601 E. Highway 22, Callaway, FL 32404; or by phone at (850) 871-6000 at least five calendar days prior to the meeting.

If you are hearing or speech impaired, and you possess TDD equipment, you may contact the City Clerk using the Florida Dual Party Relay System, which can be reached at 1-800-955-8770 (Voice) or 1-800-955-7661 (TDD).

Fire Department
P: 850-871-2753
F: 850-871-5564

Leisure Services
P: 850-874-0031
F: 850-874-9977

Planning / Code Enforcement
P: 850-871-4672
F: 850-871-2404

Public Works
P: 850-871-1033
F: 850-871-2416

Arts & Conference Center
P: 850-874-0035
F: 850-874-0706

"This institution is an equal opportunity provider and employer."

**City of Callaway Board of Commissioners
Agenda Item Summary**

May 5, 2015

IT Comprehensive Assessment and Computer Service

<p>1. PLACED ON AGENDA BY: J. Michael Fuller, City Manager</p>	<p>2. AGENDA:</p> <p>PRESENTATION <input type="checkbox"/></p> <p>PUBLIC HEARING <input type="checkbox"/></p> <p>CONSENT <input type="checkbox"/></p> <p>OLD BUSINESS <input checked="" type="checkbox"/></p> <p>REGULAR <input type="checkbox"/></p>
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3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO
N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

At the regular meeting on April 28, 2015, the Commission scheduled a Workshop Meeting to discuss IT. Staff had recently requested an amendment to the budget for funding to address a server that is no longer usable and to have the City's archival record software, Laserfiche, reestablished and operational. Concurrently, the recently completed audit recommended the City conduct a comprehensive IT assessment to identify overall system needs.

Please note that the workshop discussion should include the City's day-to-day IT/computer service needs, namely identifying a new IT/computer service vendor. This may include advertising a RFP for a new vendor.

Attachments:

- Excerpt from FY 14 Warren Averett Audit Report - pgs 87 and 88
- Server/Cloud Request (from prior meeting)
- Current IT Vendor Contract

5. REQUESTED MOTION/ACTION:
Commission to discuss the direction the City needs to go with regard to Laserfiche and IT.

Condition

The City does not have a current risk assessment to formally evaluate its IT system to determine potential areas of vulnerability. Further passwords on the City's Windows operating system had not been changed in several years, the password structure lacks complexity requirements, and available updates to the Springbrook financial accounting system are not consistently implemented on a timely basis.

Criteria

The City's accounting policy manual contains limited IT policy to include administrators and authorized users are required to change passwords every 90 days along with a generic requirement for password complexity. Information technology security is a high risk area in the public sector since units of government store sensitive personal data about its citizens, customers and employees. Recent system breaches of various entities illustrate the importance of IT security protocols.

Cause

IT assessments have been previously accomplished on an informal basis by management. Further Springbrook updates are often delayed due to the costs involved with purchasing each update.

Effect

The informal IT assessment is not current and may not be robust enough to address current potential threats. Current Springbrook updates available but not updated on the City system could enhance functionality and security of the system. Compliance of password protocol to City standards is not monitored.

Recommendation

A formal IT risk assessment should be considered by Management. At a minimum a review of the City's current IT policy and compliance with that policy should under taken by Management.

Management Response

Management concurs and believes we need to pro-actively address our IT needs and security. We are in the process obtaining a review of the City's software needs and will request approval from the City Commission of a comprehensive IT assessment proposal.

In January of 2015, Springbrook software service packs were brought up-to-date to address technical error messages received. Our service packs are now up-to-date, however the updates did not fix any of the problems being encountered. There are numerous Springbrook software issues outstanding that we are currently working to resolve including processes that have never worked in conjunction with the implementation of on-line utility payments, in November of 2013. On-going Springbrook software issues take up limited staff time and keeping the system up-to-date is cost prohibitive since additional charges and/or annual maintenance fees are required in order to receive any general process or report updates or to implement improved utilization. The City continues to attempt resolution of un-resolved software issues with Springbrook.

Above copy is from the Warren
Averett audit of FY14, pages 87+88.

City of Callaway Board of Commissioners Agenda Item Summary

April 28, 2017

Laserfiche Management Options

1. PLACED ON AGENDA BY:
J. Michael Fuller, City Manager

2. AGENDA:

PRESENTATION	<input type="checkbox"/>
PUBLIC HEARING	<input type="checkbox"/>
CONSENT	<input type="checkbox"/>
OLD BUSINESS	<input type="checkbox"/>
REGULAR	<input checked="" type="checkbox"/>

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No

Funds will need to be removed from Reserves to fund either option presented.

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

The City's Laserfiche system is currently not working due to the server being inoperative. We researched this issue regarding where were our Laserfiche files and found that they are loaded onto a 1TB USB Drive as acronis images. It has been suggested that the City look into the possibility of placing our files in the Cloud operating system rather than replace the server. Below is a comparison of the cost incurred between using a server and software manager or placing the records with a Cloud operating system who would also manage the software. Management of the software is basically keeping our system up to date with the latest version of Laserfiche, trouble-shooting problems that arise, etc. There is also an option available where the only thing we place on the Cloud would be the files thereby leaving the software management with the current service provider, MCCi.

Name of Vendor	Type Service Provided	One Time Cost for Movement of Data	Monthly Cost	Cost to Provide Software Management	TOTAL COST TO CITY FOR FIRST YEAR
Cambridge Connections/MCCi	Storage on Cloud and partnered w/MCCi for Software Management	\$5,197.14	\$256.67 (\$3,080.00) 250 GB	\$3,080.00/annually	\$8,277.14
Cities Digital	Cloud and Software Management	-0-	\$375.00 (\$4,500.00) 250 GB	\$780.00/annually	\$5,280.00
WOW	As of Noon on 4/24/15, we have not received the quote from WOW.				
Keep Server In-House/partner with MCCi	Laserfiche and City Server Storage on In-House Server	\$9,175.00 Purchase New 1.5 TB Server to last 20 years and the new server will use Windows 2008 until the kinks have been removed from the 2012 which will be loaded onto the server for free.	-0-	\$2,026.50/annually	One-Time Cost of \$9,175 to cover Laserfiche and City Server storage and then annual cost of \$2,026.50 paid to MCCi for software management We have 1 license and 3 reader permissions. The backup is placed onto a 1 TB USB drive.

Cost to City for move to the Cloud	Retrieval of all stored record information	\$600.00 (10 hrs to extract 120GB)			
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We have two budget revision request forms for the Commission's review. To continue funding the General Government department, it will take the funds that are currently allocated therefore we need to ask for a budget revision to get our Laserfiche document storage system up and running.

The first revision form is for the Cloud option if the Commission chooses to go in that direction. The second revision form is if the Commission chooses to stay with the server option in-house.

ATTACHMENT:

- Quotes from Cambridge, Cities Digital, City's current server system

5. REQUESTED MOTION/ACTION:

Request Commission to review information available, discuss and decide which course does the City take - Cloud or local Server.

Sandy Hirth

From: dgruelle@cpgnet.com
Sent: Monday, April 20, 2015 11:48 AM
To: Sandy Hirth
Cc: dgruelle@cpgnet.com; 'Lisa Koepke'
Subject: Re: Cloud Software Mgmt and Storage - Laserfiche

Hi Sandy,

We have a partner relationship with MCCI and, yes they would continue to maintain your Laserfiche. We would supply your Cloud instance and provide all the maintenance of the operating system and backup of your data. I will contact MCCI and you will receive a quote soon from either them or us.

Thanks,
Donna

Donna Gruelle
Cambridge Connections
4100 Horizons Drive Suite 201
Columbus, OH 43220
Cell: 614-206-3229
Office: 614-457-5870
FAX: 614-457-5938

From: "Sandy Hirth" <shirth@cityofcallaway.com>
To: <dgruelle@cpgnet.com>
Cc: "Lisa Koepke" <LKoepke@cityofcallaway.com>
Date: 04/17/2015 02:22 PM
Subject: Cloud Software Mgmt and Storage - Laserfiche

Hi Donna!

I have placed the answers beside your questions!

Sandy

-----Original Message-----

From: dgruelle@cpgnet.com [mailto:dgruelle@cpgnet.com]
Sent: Thursday, April 16, 2015 11:38 AM
To: Sandy Hirth
Cc: madams@cpgnet.com
Subject: Re: Cloud Software Mgmt and Storage - Laserfiche

Hi Sandy,

Yes, we have been hosting Laserfiche customers for several years and we are a distributor of Laserfiche SaaS. We do need the answers to a few questions before we can do a quote for you, as follows:

What version of Laserfiche are you currently running? 9.2
Do you have SQL Express or full SQL? Sql Express

How many Laserfiche users do you have? 1 employee has all admin rights and we have 3 employees who are "Read Only" for research purposes Do you access Laserfiche via Windows Authentication or by Named user & password? Windows Authentication

Do you have a Laserfiche VAR that you work with and is your LSAP agreement current? (Our IT dude said "MCCi is var and LSAP is current) - Would we still be dealing with MCCi if your company is handling the software?

Jonathan from MCCi said they would work with whoever we selected to keep everything updated but I'm lost as to whether or not we would still be using MCCi!!!).

I have attached a datasheet that describes what we do and that we use "best of breed" Amazon Web Services for hosting and our product is called Docs on the Cloud. I can get a quote to you pretty quickly when I receive your answers.

(See attached file: Docsontheclouddatasheetv4.pdf)

Thanks,
Donna

Donna Gruelle
Cambridge Connections
4100 Horizons Drive Suite 201
Columbus, OH 43220
Cell: 614-206-3229
Office: 614-457-5870
FAX: 614-457-5938

From: Mike Adams/CPG
To: "Sandy Hirth" <shirth@cityofcallaway.com>
Cc: Donna Gruelle/CPG@CPG
Date: 04/16/2015 12:04 PM
Subject: Re: Cloud Software Mgmt and Storage - Laserfiche

Good Morning, Sandy. Yes this got through...

We would be happy to help with this. Donna Gruelle or I will call you for a couple of specifics. Thanks.

Mike Adams
Cambridge Connections LLC
4100 Horizons Drive, Suite 201
Columbus, Ohio 43220
phone: (614) 457-5870
cell: (614) 206-3226
fax: (614) 457-5938

Sandy Hirth

From: Jonathan Bowman [jbowman@mccinnovations.com]
Sent: Wednesday, April 22, 2015 1:43 PM
To: shirth@cityofcallaway.com
Subject: Laserfiche & Cloud hosting

Hi Sandy-

Cambridge let us know you reached out to them regarding hosting Laserfiche in their cloud offering. We partner with them and can provide the quote for this, so you have one main vendor (US) as a contact for Laserfiche. I have put the pricing together below and can put this in a quote format if you think this is something you want to move forward with.

Cambridge Docs on the Cloud

- Standard Configuration
- 250 GB Storage
- Cloud Server Dedicated VPN Tunnel
- One Time Setup Charge
- Migration of Laserfiche Files

Total- \$5,197.14

Ongoing- \$3,080/year

We did want to recommend you moving forward with the Avante upgrade at the same time as this if you thought that was a possibility for when you present to council. The Avante quote included Laserfiche Administration Services, so MCCi could provide more assistance with your Laserfiche system going forward. Moving to Avante would also reset your renewal date from the date of software order, allowing you to take advantage of the funds you have budgeted for your September renewal. We understand this is coming out of emergency funds and may not be something you can do, but thought it was worth mentioning as you present to council.

If you have any questions regarding the pricing for Cambridge, I can have our Sales Director join us on a call to discuss. Waiting your reply!
Best regards,
-JB

Jonathan Bowman
MCCi | Account Manager
850.701.0725 ext. 1666
jbowman@mccinnovations.com
www.mccinnovations.com



[Download the Client On-Boarding Packet](#) for more resources and benefits of being a MCCi Client!

This email has been scanned for email related threats and delivered safely by Mimecast.
For more information please visit <http://www.mimecast.com>

Sandy Hirth

From: Sean Scampton [sean@citiesdigital.com]
Sent: Thursday, April 23, 2015 8:20 PM
To: Sandy Hirth
Subject: RE: Cities Digital CD:00580433

Sandy,

Apologies for the delay in my response.

Since we have no escalation in pricing, 250 GB would come to \$375. Your assumption was absolutely correct!

The same would be true as the storage would likely increase gradually. As your storage climbs to the next GB, an extra \$1.50 would be charged for that extra space. It's as simple as that!

If you'd like a more formal quote for this, please let me know and I'll get it to you immediately.

Thanks!

Sean Scampton | Solutions Consultant
2000 O'Neil Road, Suite 150 | Hudson, WI 54016
651.714.2800 x115 | F 866.592.7343
www.citiesdigital.com | sean@citiesdigital.com



From: Sandy Hirth [mailto:shirth@cityofcallaway.com]
Sent: Thursday, April 23, 2015 12:57 PM
To: Sean Scampton
Subject: Cities Digital CD:00580433

Hi Sean!

I've been so busy that I had not checked my voicemail in a while so I apologize for not calling you.

Basically, we are trying to get quotes on storing 250 GB so that all quotes will be the same. I was just going to do yours as 250 GB at \$1.50/GB - would that work or would you rather send me a changed quote without me getting in the middle?!

Sandy

From: Sean Scampton [mailto:sean@citiesdigital.com]
Sent: Tuesday, April 21, 2015 11:16 AM
To: Sandy Hirth
Cc: 'Lisa Koepke'
Subject: RE: Cities Digital CD:00580433

That is absolutely correct.

12 months of backup on 120 GB at \$1.50/GB = \$2160

Sandy Hirth

Subject: Cities Digital CD:00580433

From: Sean Scampton [mailto:sean@citiesdigital.com]

Sent: Tuesday, April 21, 2015 11:16 AM

To: Sandy Hirth

Cc: 'Lisa Koepke'

Subject: RE: Cities Digital CD:00580433

That is absolutely correct.

12 months of backup on (120 GB) at \$1.50/GB = (\$2160)

Annual LSAP of \$780.

Total of \$2940 annual cost.

Does this make sense?

Sean Scampton | Solutions Consultant
2000 O'Neil Road, Suite 150 | Hudson, WI 54016
651.714.2800 x115 | F 866.592.7343
www.citiesdigital.com | sean@citiesdigital.com



From: Sandy Hirth [mailto:shirth@cityofcallaway.com]

Sent: Tuesday, April 21, 2015 11:12 AM

To: Sean Scampton

Cc: 'Lisa Koepke'

Subject: Cities Digital

Good Morning Sean!

I'm so totally lost when it comes to this info so please excuse my question!

Regarding the quotes below, would I add \$780.00 as a one-time fee to the monthly charge of \$180 which gives us an annual cost of \$2940?

I would appreciate your assistance with regard to this question!

Sandy Hirth
City Clerk
City of Callaway

From: Lisa Koepke [mailto:lkoepke@cityofcallaway.com]
Sent: Monday, April 20, 2015 4:51 PM
To: 'Sandy Hirth'
Subject: RE: Cities Digital

What do we pay yearly now, do you know?
So this quote is for a yearly total of \$2940.00?

Lisa Koepke

Assistant to the City Manager
City of Callaway
850-215-6702

lkoepke@cityofcallaway.com

From: Sean Scampton [mailto:sean@citiesdigital.com]
Sent: Monday, April 20, 2015 4:17 PM
To: Sandy Hirth
Cc: 'Lisa Koepke'
Subject: RE: Cities Digital

Sandy & Lisa

Here are the quotes you requested.

The first quote is a monthly quote for Cities Digital Online Backup. Included with this price is everything related to backing up your data as well as the initial set up. Therefore, there are no hidden charges, just a flat monthly cost. For more information, I've included a brochure. Based on what we talked about, Sandy, this is a perfect fit. If your storage needs ever rise or fall, your cost will rise and fall with it. You are only paid for what is used.

The second quote is what the cost for annual support for your Laserfiche system with Cities Digital. Once again, there are no hidden charges or fees. What you are entitled to with Cities Digital support is all troubleshooting of your existing components, as well as all upgrades of any and all components. This quote is only conditional on these components being the only ones in place on your system. If anything is different, we will adjust accordingly, but for what you've expressed (1 full user, 3 retrieval users, express server), this is our quote. And just a reminder, this is an annual cost.

Please let me know if you have any thoughts or questions. I'll plan to touch base with you later this week.

Thanks so much!



2000 O'Neil Rd., Suite 150
Hudson, WI 54016

Prepared For:

City of Callaway
6601 East Highway 22

Quote

Date:	Quote Number :	Revision:
4/20/2015	QUO-04364-T7P1	0

Contact:

Phone: (855) 714-2800

Fax: 866-592-7343

Product	Product ID	Quantity	Unit Price	Ext Amount
Monthly Services				
Online Back-up Monthly Storage	CD7050	120	\$1.50	\$180.00
Subtotal				\$180.00
Freight				\$0.00
Tax				\$0.00
TOTAL				\$180.00

Product	Product ID	Quantity	Unit Price	Ext Amount
Annual Maintenance				
Laserfiche Full User United Annual Maintenance	FXB	1	\$150.00	\$150.00
Laserfiche Retrieval User United Annual Maintenance	RXB	3	\$60.00	\$180.00
Laserfiche Team Server (Single repository) Annual Maintenance	S1B	1	\$450.00	\$450.00
Subtotal				\$780.00
Freight				\$0.00
Tax				\$0.00
TOTAL				\$780.00

All sales are final, VPCI and Cities Digital do not accept returns of software and all sales are final. If your product is damaged we will replace it within 30 days of purchase at no charge. Prices are subject to change.

Sean Scampton | Solutions Consultant
 2000 O'Neil Road, Suite 150 | Hudson, WI 54016
 651.714.2800 x115 | F 866.592.7343
www.citiesdigital.com | sean@citiesdigital.com



From: Sandy Hirth [<mailto:shirth@cityofcallaway.com>]
Sent: Friday, April 17, 2015 12:16 PM
To: Sean Scampton
Cc: 'Lisa Koepke'
Subject: Cities Digital

Hi Sean!

Yes, I remember speaking with you!

We are contacting several companies with regard to putting our Laserfiche files and software management onto the "Cloud" so I wanted to be sure that I touched base with you again!

We have one license and this person has full administrative rights to our Laserfiche. We then have 3 users who are "Read Only" for research purposes.

I hope this helps and if you need additional information, please email me! I'm so envious - out of the country - good for you!!

Sandy

From: Sean Scampton [<mailto:sean@citiesdigital.com>]

Sent: Thursday, April 16, 2015 10:11 AM

To: shirth@cityofcallaway.com

Subject: Cities Digital

Sandy,

Good morning! I just received your email regarding online backup and service for Laserfiche.

You may recall we spoke a few weeks ago. I had a task scheduled for next week to follow up and I'm actually out of the country on vacation but I wanted to reach out and let you know that I'll definitely get all of the details by the 21st. I'll send an email over the weekend and follow up Monday morning.

In the meantime, I'd love to get the details of your system to provide you with a quote for support. Could you give me a list of your number of users and Laserfiche licenses so that I may do so

Thanks so much! Have a wonderful rest of the week and weekend.

Sean

Sandy Hirth

From: Sean Scampton [sean@citiesdigital.com]
Sent: Friday, April 24, 2015 12:21 PM
To: Sandy Hirth
Subject: RE: Cities Digital CD:00580433

Sandy,

I understand. Everything that you described would be covered by our maintenance and online backup package.

Cities Digital annual LSAP agreement covers all upgrades, maintenance, and troubleshooting. Since you would be participating in Cities Digital Online Backup, your upgrades would be paramount and you would receive notification of when new upgrades are available. When a new upgrade is available, we will schedule a time with you to upgrade the software. We alert you and schedule it with you because we'd hate to running an upgrade while someone is attempting to access Laserfiche and assume that the system is down for whatever reason. This level of communication is part of what makes our company so appreciated by our customers.

If there are any other more specific questions, I will be happy to answer those.

Sean Scampton | Solutions Consultant
2000 O'Neil Road, Suite 150 | Hudson, WI 54016
651.714.2800 x115 | F 866.592.7343
www.citiesdigital.com | sean@citiesdigital.com



From: Sandy Hirth [mailto:shirth@cityofcallaway.com]
Sent: Friday, April 24, 2015 11:54 AM
To: Sean Scampton
Subject: Cities Digital CD:00580433

Sean -

What the City is looking for is a storage space for our files and a company who will manage the software, troubleshoot if we have scanning issues, do our upgrades automatically, etc.

Hope this helps!! I'm putting the agenda together right now!

Sandy

From: Sean Scampton [mailto:sean@citiesdigital.com]
Sent: Thursday, April 23, 2015 8:26 PM
To: Sandy Hirth
Subject: RE: Cities Digital CD:00580433

Sandy,

I already sent you the email on the 250 GB, but I wanted to make sure I was covering everything.

Sandy Hirth

From: taygee@gmail.com [<mailto:taygee@gmail.com>] **On Behalf Of** Glenn Taylor

Sent: Thursday, April 23, 2015 2:10 PM

To: Sandy Hirth

Subject: Server Info

MCCI is the City VAR (value added reseller), with a new server that stays the same, I upgraded to 9.2 Avante because they offered it for free..new server will run 2008 Server because 2012 isnt fully supported by LF yet. The server license that I have includes a free upgrade to 2012. You dont have any other expenses besides the \$2k per year that you pay for software support. So, \$9175 for server..then \$2k per year and you have a fully functional document image store program. 9.2 was only released last October so I wouldnt worry about that for awhile.

Sandy Hirth

From: Michael Fuller [mfuller@cityofcallaway.com]
Sent: Wednesday, April 22, 2015 3:37 PM
To: 'Sandy Hirth'; 'Lisa Koepke'
Subject: FW: Citysvr replacement

From: taygee@gmail.com [mailto:taygee@gmail.com] **On Behalf Of** Glenn Taylor
Sent: Wednesday, April 22, 2015 12:26 PM
To: J. Michael Fuller
Subject: Citysvr replacement

The new Laserfiche server for \$9175 installed will replace both the Citysvr and Laserfiche...it is powerful enough and will have over 1.5tb of disk space...enough for 20 years at least.

--

Glenn Taylor MCSE
850-348-1089
850-366-8554 Google Voice
Efax 760-875-8655
glenn@evdinc.com
<http://www.evdinc.com>



This email has been checked for viruses by Avast antivirus software.
www.avast.com



CITY OF CALLAWAY, FLORIDA
CITY HALL

6601 East Highway 22, Callaway, FL 32404
Phone 850-871-6000 • FAX 850-871-2444
www.cityofcallaway.com

Mayor
Thomas W. Abbott

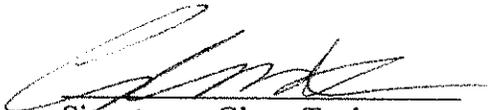
Commissioners
Dennis A. DeLapp
Pam Henderson
David Otano
Ralph L. Hollister

JANUARY 22, 2014

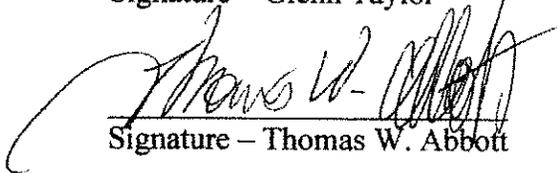
IT AGREEMENT BETWEEN -
CITY OF CALLAWAY, FLORIDA AND GLENN TAYLOR

I, Glenn Taylor, agree to the following employment conditions:

- 1) To provide 24/7 IT coverage for the City of Callaway;
- 2) Amount to be paid annually will be \$24,000.00 at \$2,000.00 per month;
- 3) Either party may cancel this agreement with a 30 day written notice given by the other party.

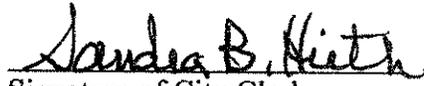

Signature – Glenn Taylor

1-22-14
Date


Signature – Thomas W. Abbott

1-22-14
Date

ATTESTED BY:


Signature of City Clerk

2-12-14
Date

Fire Department
P: 850-871-2753
F: 850-871-5564

Leisure Services
P: 850-874-0031
F: 850-874-9977

Planning / Code Enforcement
P: 850-871-4672
F: 850-871-2404

Public Works
P: 850-871-1033
F: 850-871-2416

Arts & Conference Center
P: 850-874-0035
F: 850-874-0706

"This institution is an equal opportunity provider, and employer."

Agreement for Specific IT Services

By acceptance of this agreement, Glenn Taylor dba Electronic Voice & Data, (PROVIDER) agrees to provide maintenance service and support to the City of Callaway, CITY), for the computer hardware and related equipment owned by the City.

The purpose of this agreement is to maximize return of the City's IT investment by providing for continuity of support services, to safeguard data stored on the City's computer network system, and to maintain the integrity of the system as a whole.

Provider agrees to provide his best efforts, using his expertise in the computer field, to apply the necessary skills for computer related hardware and networking problems. In addition, services will be provided for disconnects and reconnects for relocations/renovations during normal business hours (Monday through Thursday, 8:00am - 5:00pm).

Periodically, there will also be the need to remove and/or add user access. Such removal and/or additional access **MUST** be approved by the City **PRIOR** to the service being initiated.

Files stored on the City's computer servers shall be password protected. No administrator network passwords will be changed without **PRIOR** authorization from the City. Authorized users shall be required to change their passwords every 90 days. Complex passwords shall be required.

When a piece of equipment is deemed not repairable, or not cost-effective to repair, the Provider will provide recommendations for equipment to be connected to the local area network, as substandard equipment can impact the ability to provide effective network service to the City. Should substandard equipment be added to the network against the Provider's recommendation, the Provider, at his discretion, may decline to service said equipment.

The City recognizes that support calls will be prioritized by severity and then by order in which each call comes in. Down servers are treated with the highest priority. Service calls may be made to Provider by phone or email. The Provider will attempt to return every technical service call within 2 hours from receiving the call during normal business hours. The City agrees to assist Provider in providing support via telephone or broadband connection before on-site service is requested.

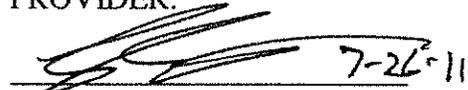
Provider agrees to perform daily backup of data stored on all servers in operation by the City. Backup systems will be tested at least weekly by the Provider.

The Provider agrees to provide support services as listed herein for an hourly rate of **\$60.00 per hour**. Service charges shall be in 1/4 hour increments. Invoices are due upon receipt.

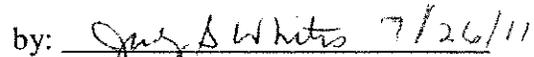
This agreement is for servicing hardware only and does not provide for software maintenance or support. Any parts and components that are required shall be in addition to the hourly service fee and will be subject to prior approval by the City. An hourly fee of \$95.00 per hour will be charged for troubleshooting or reconfiguring servers, networks, or desktops that have been serviced by anyone other than the Provider.

This agreement is effective upon the date signed by both parties and shall remain in force until cancelled or revised by mutual consent. Either party may cancel this agreement following 30 days written notice to the other party.

PROVIDER:


7-26-11
Glenn Taylor
Electronic Voice & Data

CITY of CALLAWAY

by: 
7/26/11
Judy S. Whitis
City Manager

A listing of Provider's other available services or products, not covered by this agreement, will be provided for the City's consideration.

**City of Callaway Board of Commissioners
Agenda Item Summary**

May 5, 2015

Discussion on Implementation of Auditor's Recommendations

<p>1. PLACED ON AGENDA BY: J. Michael Fuller, City Manager</p>	<p>2. AGENDA:</p> <p>PRESENTATION <input type="checkbox"/></p> <p>PUBLIC HEARING <input type="checkbox"/></p> <p>CONSENT <input type="checkbox"/></p> <p>OLD BUSINESS <input checked="" type="checkbox"/></p> <p>REGULAR <input type="checkbox"/></p>
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3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No
N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

Commission and Staff to discuss the recommendations from our auditors, Warren Averett.

Attachments:

- Letter with recommendations for City's compliance on FY14 audit.

5. REQUESTED MOTION/ACTION:
Commission to discuss the FY14 Audit recommendations.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

To the Honorable Mayor and City Commission
City of Callaway, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Callaway, Florida, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City of Callaway, Florida's basic financial statements and have issued our report thereon dated April 16, 2015.

Our report includes a reference to other auditors who audited the financial statements of Military Point Advanced Wastewater Treatment Facility joint venture, as described in our report on City of Callaway, Florida's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City of Callaway, Florida's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Callaway, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be material weakness and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Responses to be a material weakness. [2014-01]

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Responses to be significant deficiencies. [2014-02, 2014-03, 2014-04, 2014-05 and 2014-06]

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Callaway, Florida's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that would be required to be reported under *Government Auditing Standards*.

City of Callaway, Florida's Response to Findings

City of Callaway, Florida's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. City of Callaway, Florida's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We also noted certain other matters that we reported to the City of Callaway, Florida, in a separate management letter dated April 16, 2015.

Warren Averett, LLC
Fort Walton Beach, Florida
April 16, 2015

**CITY OF CALLAWAY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

2014-1 Monthly Closing Process

Condition

The City's monthly closing process to include preparation and review of bank reconciliations and reconciliation of other material account balances is not completed on a timely basis. Certain reconciliations or parts thereof are complete as of March 31, 2015; however the last month formally closed was September 2014.

Criteria

The City's accounting policy manual, in tandem with a properly designed system of internal controls, require certain control activities such as reconciliations to be accomplished monthly. This allows for the production of accurate monthly reports of operating results and financial position. The City's accounting policy manual requires the production of a monthly balance sheet, revenue analysis, expense vs budget for the month and year to date and bank statement reconciliations for management and elected officials.

Cause

The City has experienced personnel turnover in its finance function. The Finance Director (both previous and current) has been unable to close the month on a timely basis due to numerous factors to include volume of the workload, lack of familiarity with the City's software, and issues stemming from utility billing along with strategic initiatives of management and Commission.

Effect

Not having essential month-end closing procedures performed on a timely basis increases the risk that a material misstatement will not be detected or not detected on a timely basis. Timely closing also allows the production of reports for management and Commission which are used in financial decision making.

Recommendation

We realize steps have been taken to improve work flow and the City intends to implement a lockbox to provide relief for utility cash receipt processing which may result in additional capacity of the current Assistant to the Finance Director. However we recommend consideration of the following:

- The current Assistant to the Finance Director is primarily performing the Utility Billing Supervisor duties. An additional position in the accounting or utility billing function may need to be considered. An alternative would be temporary assistance in the accounting function for a four to six month period of time.
- The development of a formal closing schedule which indicates who is responsible for performing each procedure and when the completion of each procedures is due and accomplished.
- Since the City is already in a positon in which the complete financial reporting is several months behind, it is recommended the process is first caught up and then a plan to stay current, including the formal closing schedule, is then implemented.

**CITY OF CALLAWAY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Management Response

Finance Department staff includes the Director of Finance and the Assistant to the Finance Director. The role of Finance Assistant position is primarily that of the City's Utility Billing Supervisor. The size of the Finance Department is small therefore many duties are combined or assigned to other available City Hall staff. Finance Assistant/Billing Supervisor responsibilities include processing payables, processing monthly pension fund remittances and serving as the on-line bank administration backup. The City Clerk reviews and posts cash receipts; our Records Clerk processes drop-box utility payments; the Human Resources Director enters timesheets, processes payroll, prepares W-2's, and processes payroll withholding and reporting; the Purchasing Agent is tasked with the billing and collection of business license taxes and backs-up customer service representatives receiving utility payments.

Our vacancy in the Director of Finance position at the end of fiscal year 2014, which was filled in November of 2014, significantly contributed to the City's monthly closing process and financial reporting delays. Implementation of new or revised processes and software upgrades also contributed to delayed month-end closings.

Management will address the possibility of adding a position separating accounting and utility billing duties. The addition should eliminate the distribution of accounting duties to other City Hall staff functions, improve internal controls and allow for timely month-end closing procedures and financial reporting. In lieu of being able to implement a permanent solution, management will pursue the use of temporary assistance in order to bring our records up-to-date.

Additionally, management believes that it will be beneficial to develop and document a formal closing schedule and will document the responsibility and timing of monthly procedures in conjunction with bringing the records up-to-date.

2014-2 IT Risk Assessment

Condition

The City does not have a current risk assessment to formally evaluate its IT system to determine potential areas of vulnerability. Further passwords on the City's Windows operating system had not been changed in several years, the password structure lacks complexity requirements, and available updates to the Springbrook financial accounting system are not consistently implemented on a timely basis.

Criteria

The City's accounting policy manual contains limited IT policy to include administrators and authorized users are required to change passwords every 90 days along with a generic requirement for password complexity. Information technology security is a high risk area in the public sector since units of government store sensitive personal data about its citizens, customers and employees. Recent system breaches of various entities illustrate the importance of IT security protocols.

**CITY OF CALLAWAY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Cause

IT assessments have been previously accomplished on an informal basis by management. Further Springbrook updates are often delayed due to the costs involved with purchasing each update.

Effect

The informal IT assessment is not current and may not be robust enough to address current potential threats. Current Springbrook updates available but not updated on the City system could enhance functionality and security of the system. Compliance of password protocol to City standards is not monitored.

Recommendation

A formal IT risk assessment should be considered by Management. At a minimum a review of the City's current IT policy and compliance with that policy should be undertaken by Management.

Management Response

Management concurs and believes we need to pro-actively address our IT needs and security. We are in the process obtaining a review of the City's software needs and will request approval from the City Commission of a comprehensive IT assessment proposal.

In January of 2015, Springbrook software service packs were brought up-to-date to address technical error messages received. Our service packs are now up-to-date, however the updates did not fix any of the problems being encountered. There are numerous Springbrook software issues outstanding that we are currently working to resolve including processes that have never worked in conjunction with the implementation of on-line utility payments, in November of 2013. On-going Springbrook software issues take up limited staff time and keeping the system up-to-date is cost prohibitive since additional charges and/or annual maintenance fees are required in order to receive any general process or report updates or to implement improved utilization. The City continues to attempt resolution of un-resolved software issues with Springbrook.

2014-3 Utility Billing Exception Reporting

Condition

The City does not have an efficient method to monitor inaccurate meter reads in its utility billing function. Customer service personnel manually scan the proof list to identify meter readings that might contain a possible exception for re-reads.

Criteria

Review of potential inaccurate readings in a utility billing function is an integral control activity part of the overall system of internal control.

Cause

City personnel have attempted to develop an automated report from its billing system, Springbrook, but have not been successful in producing a report that meets their current needs.

**CITY OF CALLAWAY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Effect

The manual process is time consuming and based on the number of accounts billed on a monthly basis increases the opportunity for unintentional error by overlooking an account that should be re-read under current City policy.

Recommendation

We recommend City personnel work with their software vendor, Springbrook, to produce an automated exception report. An automated report will reduce personnel time to scan the list and will also ensure all accounts falling outside the set parameters are flagged.

Management Response

The City contracted with Springbrook to program a custom misread meters exception report on February 3, 2015. The change to standard report will allow us to compare current reads to prior month reads instead of comparing them to reads from the same month of the prior year. Our costs include a charge of \$450 to edit the report and an increase of \$126 per year in maintenance charges. We have received notification that the report edit is ready for us to download.

2014-4 Segregation of Duties Surrounding Cash Disbursements

Condition

The City's payroll and disbursement processes lack proper segregation of duties.

Criteria

Proper segregation of duties should be in place so that no single employee is handling one of the following functions: (1) custody of assets; (2) record keeping, (3) authorization; and (4) reconciliation.

Cause

Duties surrounding payroll and the disbursement process are not properly segregated. For payroll, one individual maintains and updates the payroll master file, prepares and records the payroll, and has the ability to release direct deposit funds from the bank. For the disbursement process, signed checks go back to the individual who prepared the checks for signature prior to mailing. This individual also has access to the disbursement module.

Effect

Inadequate segregation of duties increases the risk that a material misstatement due to error or fraud could go undetected by management.

Recommendation

Payroll

An individual not associated with payroll processing should maintain personnel records including the employee master file in the Springbrook system. A member of management should review and approve (with evidence of approval) the payroll register associated with each payroll run prior to payroll being processed. Upon management approval, an employee not involved in the processing of payroll should be authorized to release the funds.

Disbursements

Signed checks for disbursements should be mailed by an employee that does not have access to the disbursement module in the City's accounting system.

**CITY OF CALLAWAY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Management Response

The ability to segregate duties is limited due to the number of people available. Currently, there is no other staff to assign payroll processing duties to. To the extent possible, duties are segregated to serve as a check and balance and to maintain the best control system possible. Maintaining controls became more challenging due to our recent vacancy in the Director of Finance position.

To address the lack of segregation surrounding cash disbursement processes:

- The Director of Finance will document the review and approval of payroll registers before they are processed.
- Authorization to release direct deposit funds from the bank by the individual preparing payroll will be removed.
- The responsibility of mailing signed disbursement checks will be assigned to an individual without access to the disbursement module in the City's accounting system.

2014-5 Written Policies and Procedures

Condition

The City's Accounting Policy and Procedure Manual and the Utility Billing Policy need to be updated to reflect policy changes as well as the current staffing configuration. Updates to the Accounting Policy and Procedures Manual and Utility Billing Policy Manual were last made on August 9, 2011 and June 12, 2012, respectively.

Criteria

In a properly designed system of internal controls written policies and procedures should be kept current; ideally updated on an annual basis.

Cause

The City has not dedicated resources to keep the manuals current.

Effect

City employees may not have a complete understanding of all policy; particularly new hires.

Recommendation

The accounting and billing policies should be updated to reflect current policy and processes. On-going the documents should be reviewed and updated on an annual basis.

Management Response

Management concurs that approved policy changes have not been incorporated into the City's Accounting Policy and Procedure Manual and the Utility Billing Policy Manual. Recent turnover in management, changes to the staffing configuration and the lack of staff resources have contributed to the deferred updates. Management will dedicate resources needed to bring manuals up-to-date and assign responsibility and due dates for maintaining updates going forward.

2014-6 Internal Budget Policy Non-Compliance

Condition

Certain line item expenditures for the year to date period ended September 30, 2014 exceeded the approved budget for that line item. While the City was out of compliance with internal policy; total expenditures did not exceed budgeted amounts as it relates to compliance with Florida Statutes.

**CITY OF CALLAWAY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Criteria

The City, based on a policy change in FY 14, sets the legal level of budgetary control at the line item (account) level for each department.

Cause

The Accounting Policy and Procedure Manual was not updated to reflect this change. This coupled with changes in finance personnel near year end contributed to the cause.

Effect

The City was out of compliance with its internal budget policies.

Recommendation

City management should update its documented policies for legislative actions of the Commission and ensure compliance of internal policy in the future.

Management Response

The change in policy to set the legal level of budgetary control at the line item was mandated by the Commission in August of 2014. Budget transfers needed to cover expenditures in excess of line item budgets were approved by the City Commission after the date of the policy change. However, line item budgets, not amended for transactions completed prior to the policy change resulted in our non-compliance. Un-intended effects of maintaining a line item level of budgetary control can include an increase to the amount of work and time required for staff to make purchases and complete projects efficiently. This level of control also tends to encourage the posting of transactions to accounts based on the remaining budget which can result in the loss of conformity and comparability of historical financial information.

Expenditures that are not subject to purchase order software edits that limit commitments to the amount of line-item budgets will require manual review to adhere to the policy. Personnel budget overages may not be possible to prevent. Given these challenges, management will update the policy manual and establish procedures in conjunction with month-end closing procedures to ensure future compliance.



45 Eglin Parkway, N.E., Suite 301
Fort Walton Beach, FL 32548
850.244.5121
warrenaverett.com

**INDEPENDENT ACCOUNTANTS' REPORT ON AN EXAMINATION OF
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER
10.550, RULES OF THE AUDITOR GENERAL**

To the Honorable Mayor and City Commission
City of Callaway, Florida

We have examined the City of Callaway, Florida's (the City) compliance with Florida Statute 218.415 with regards to the investments for the year ended September 30, 2014.

Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City of Callaway, Florida complied, in all material respects, with Florida Statute 218.415 with regards to the investments for the year ended September 30, 2014.

Warren Averett, LLC
Fort Walton Beach, Florida
April 16, 2015

MANAGEMENT LETTER

To the Honorable Mayor and City Commission
City of Callaway, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Callaway, Florida (the City), as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated April 16 2015.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

Other Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Schedule of Findings; and Responses; and Independent Accountants' Report on an Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated April 16, 2015, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. Corrective actions have been taken or are in progress to address findings and recommendations made in the preceding annual financial audit report (except as noted below under the heading "Prior Year Comments").

Tabulation of Uncorrected Audit Findings			
Description	Current Year Finding #	2012-13 FY Finding #	2011-12 FY Finding #
Written Control Risk Assessment ¹	2014-07	2012-ML-02	2012-ML-02

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The official title and legal authority for the City has been disclosed in Note 1 to the financial statements.

Financial Condition

Section 10.554(1)(i)5.a., *Rules of the Auditor General*, requires that we report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c., and 10.556(7), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Annual Financial Report

Section 10.554(1)(i)5.b., *Rules of the Auditor General*, requires that we report the results of our determination as to whether the annual financial report for the City, for the fiscal year ended September 30, 2014, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2014. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

Section 10.554(1)(i)5.d., *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Other Matters

Section 10.554(1)(i)2., *Rules of Auditor General*, requires that we address in the management letter any recommendations to improve financial management. These recommendations are addressed under the headings "Prior Year Findings".

PRIOR YEAR COMMENT

2014 – 07: WRITTEN CONTROL RISK ASSESSMENT

Prior Year Comment Summarized

City of Callaway, Florida has not formally documented management's control risk assessment regarding significant transaction cycles. Like many organizations, the City assesses risk routinely but the risk assessment process is not documented or formalized. We recommended documenting control risk assessments to provide additional assurances that key business processes have appropriate control activities in place. The assessment and documentation will help management identify control gaps, strengthen existing controls, and remove redundancies where applicable.

Status

The City of Callaway has been conducting risk assessments for many years without the benefit of the process being formally documented. Management does believe that it is in the best interest of the City to have control risk assessments documented. City Management is not certain when this objective can be achieved due to the priority of other projects.

Section 10.554(1)(i)3., *Rules of Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the City Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We greatly appreciate the assistance and cooperation extended us during our audit.

Warren Averett, LLC
Fort Walton Beach, Florida
April 16, 2015

**City of Callaway Board of Commissioners
Agenda Item Summary**

May 5, 2015

Discussion on Springbrook

<p>1. PLACED ON AGENDA BY: J. Michael Fuller, City Manager</p>	<p>2. AGENDA:</p> <p>PRESENTATION <input type="checkbox"/></p> <p>PUBLIC HEARING <input type="checkbox"/></p> <p>CONSENT <input type="checkbox"/></p> <p>OLD BUSINESS <input checked="" type="checkbox"/></p> <p>REGULAR <input type="checkbox"/></p>
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3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No
N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

Commission and Staff to discuss Springbrook training being provided and analysis of our processes.

Attachments:

- See attached information on Springbrook Client Analysis.

5. REQUESTED MOTION/ACTION:
Commission to discuss the training being provided by Springbrook and their analysis of our procedures.

Springbrook Client Process Analysis

Client Name: City of Callaway, Florida

Session Dates: 5/4/2015 to 5/7/2015

Springbrook Consultant: Debbie McLeod

Overview

Alter this description to outline the general purpose and objectives of this session.

Audience: Employees designated by the customer to train other staff members. This offering is designed for one to four attendees. A "train the trainer" approach will be taken.

Schedule:

These are the items that are targeted for coverage during this session. This schedule should be used only as a guide. Complexity of customer business processes will affect the actual timing and duration of the session. Your Springbrook consultant will adjust this schedule based on your business requirements.

Day One, Monday, May 4, 2015

1:00 – 4:30 Business Process Review
 Purchase Order Process
 Accounts Payable Process

Day Two, Tuesday, May 5, 2015

8:30 – 12:00 General Ledger
 Cash Receipts
12:00 – 1:00 Lunch
1:00 – 4:30 Bank Reconciliation
 Clearing House

Day Three, Wednesday, May 6, 2015

8:30 – 12:00 Payroll
12:00 – 1:00 Lunch
1:00 – 4:30 Utility Billing

Day Four, Thursday, May 7, 2015

8:30 – 12:00 Question and Answer Session

Client Preparation

Please prepare the training site in preparation of this session (e.g. internet connection, projector or large monitor, etc.).

Please ensure that required staff is scheduled to attend this session.

Springbrook Post Session Responsibility

An issues report, if necessary, may be completed by the Springbrook Consultant following this offering. This report will serve as a record of the various issues that were encountered during this offering and any issues still outstanding as of the completion of this offering.

Client Post Session Responsibility

Client will be required to complete a sign off to attest to the successful completion of this offering before continuing to the next offering. Additional client responsibilities as specified at the conclusion of this offering:
[Click here to enter text.](#)

Comments

This portion of the document is meant to serve as a record of the successful completion of the session(s) that make up this professional service offering. Any issues or concerns associated with this session should be documented here.

Click here to enter text.

Name: Click here to enter text.

Date: Click here to enter a date.

Sign Off

By signing this document, I acknowledge that, with the exception of any items noted above, all tasks associated with this offering were completed to my satisfaction.

Name

Title:

Signature:

Date:
