

**AUDIT COMMITTEE MEETING  
OCTOBER 1, 2008  
TIME: 3:30 P. M.**

The meeting was called to order by City Attorney Michael Duncan at 3:45 P.M.

PRESENT: Commissioner Jones, City Attorney Duncan, City Manager Whitis, Public Works Director Adams, Citizen Pam Henderson, City Clerk Bernal.

ITEM #1. ELECTION OF CHAIRMAN

City Manager Whitis moved to elect Commissioner Jones Chairman. Second by City Attorney Duncan.

All aye

ITEM # 2. DISCUSS PROCESS FOR REVIEW OF FY-07 AUDIT

City Manager Whitis asked the City Attorney to define the role of the Audit Committee regarding selection of an auditor as set forth in F.S.218.391. City Attorney Duncan defined the role as outlined in the statute; reviewed Resolution #08-21, Section 3, adopted by the Callaway Board of Commissioners which provides for oversight on a continuing basis, stating he feels a lot of weight should be given to those with auditing backgrounds such as Ms. Henderson and Ms. Whitis. City Attorney Duncan suggested a report from the Finance Director and the auditors at the next meeting, stating this committee may give the Finance Director certain requests for various reports. Ms. Henderson provided input on the process with the auditors for her employer and recommended we hear from the auditors and the Finance Director. City Attorney Duncan recommended sending a letter from the Chairman to the auditors inviting them to be at the next meeting to present pre-audit issues, followed by a review of the FY-07 audit by Finance Director Bennett. The City Manager requested a break to call the auditors and schedule a time for them to meet with the Committee.

... BREAK...

Ms. Whitis reported the time recommended by the Committee, Wednesday, October 8, 2008, at 3:30 p.m. would be fine with the auditors. Commissioner Jones reviewed the roles and the overall purpose of the Committee as established by the Commission in Resolution #08-21. The City Manager stated we as a committee communicate the information we obtain to the Commission. The next meeting was scheduled for Wednesday, 10-8-08, at 3:30 p.m. An Agenda Format and Meeting Procedures will be adopted, the City Auditors will address Pre-Audit Issues, the Finance Director will Review Auditors Report Process for FY-07, and the next meeting will be scheduled. The City Attorney advised the Committee needs to allow Public Participation at the end of each meeting. Mr. David Griggs stated he appreciates knowing the rules. The City Attorney reminded all members they need to notify the City Clerk if they want an item on the Agenda.

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**PUBLIC PARTICIPATION**

1. Mr. John Malone: Addressed the Committee on the role of the Audit Committee, stating the audit should be independent. The City Attorney responded by again reviewing Resolution #08-21.
2. Mr. David Griggs: Stated that Mr. Duncan pointed out this is optional, we had some difficulty with the auditors last year; this committee should be independent in hearing what is said and he thinks it will be. The City Attorney responded he thinks having Ms. Henderson with her experience gives a new set of eyes to the process. Mr. Griggs stated this is probably a good makeup.

Commissioner Jones pointed out that the City Commission adopted the resolution to establish this committee and set forth the duties of this committee to address whether it is comfortable with the current firm or determine whether we should consider selecting a new firm.

There being no further business, the meeting was adjourned at 4:50 p.m.

  
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Genette R. Bernal, City Clerk