



MINUTES
SPECIAL CITY COUNCIL MEETING
MONDAY, JUNE 24, 2024, 6:00 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266

Pursuant to proper notice, a Special City Council Meeting of the City Council of the City of Neptune Beach was held on Monday, June 24, 2024, at 6:00 p.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266.

Attendance:**IN ATTENDANCE:**

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger (*absent*)

STAFF:

City Attorney Zachary Roth (*via CMT*)
City Manager Richard Pike
Police Chief Michael Key
Chief Financial Officer Jaime Hernandez
Parks and Sustainability Director Colin Moore
City Clerk Catherine Ponson

Call to Order/Roll Call

Mayor Brown called the Special Meeting to order at 6:00 p.m.

**FY2022 Audit
Presentation**

Ronald Whitesides, Partner, with Purvis Gray, presented the FY2022 Comprehensive Annual Financial Report for the City of Neptune Beach. Andrew Miller, Audit Manager, with Purvis Gray, was also present.

Mr. Whitesides gave a brief overview of the completed audit. He stated the auditors issued a Disclaimer of Opinion. This means they are not rendering an opinion on the financial statements. The reason is during the 2022 period, all city revenues were deposited and recorded into one miscellaneous general fund account. That account had over \$9 million.

Mr. Whitesides continued that the current City staff had to go through that \$9 million and extract where all of the revenues were posted. At the end of the day, half a million dollars was unidentified and that is why an opinion has not been rendered. There were no instances of anything fraudulent, but the accounting records themselves were a mess.

Mr. Whitesides expressed that in September 2022, the City was in healthy financial condition at that point in time. The fund balance in the General Fund was \$2.6 million. The Government Finance Officers Association recommends that a City have two months of operating expenses and Neptune Beach had five months. All of the financial health indicators are good. He added it was a tough year for the pension plan and it was a tough year for all pension plans in the state.

Vice Mayor Chin pointed out the high turnover in the finance department during that time and thanked current staff for untangling the finances.

Mayor Brown reiterated that the City is in a good financial state and CFO Jaime Hernandez would be addressing the internal recommendations from the audit. She thanked Mr. Hernandez for his efforts.

Adjournment

There being no further business, the Special Meeting adjourned at 6:15 p.m.



Elaine Brown, Mayor

ATTEST:



Catherine Ponson, CMC
City Clerk

Approved: _____

09/03/2024

