MINUTES
FINANCE & AUDITOR SELECTION COMMITTEE MEETING
WEDNESDAY, MAY 28, 2025, 9:00 A.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266

Pursuant to proper notice, a meeting of the Finance & Auditor Selection Committee was held Wednesday, May 28, 2025, at 9:00 a.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266.

Attendance:	IN ATTENDANCE:	STAFF:
	Councilor Brent Rogers, Chair	City Manager Richard Pike
	Lynda Padrta, Member	City Attorney Paul Waters
	Jerry Wetzel, Member	Chief of Police Michael Key
		Chief Financial Officer Jaime Hernandez
		Community Development Director Heather Whitmore
		Public Works Director Deryle Calhoun
		Parks and Sustainability Director Colin Moore
		Senior Center Director Leslie Lyne
		HR Coordinator Jillian McCann

Call to Order Councilor Rogers called the Finance & Auditor Selection Committee Meeting to order at 9:00 a.m.

Public Comments Pat Hazouri, 207 Florida Boulevard, Neptune Beach, spoke regarding the senior center and city finances.

Frequency of Meetings Based on feedback, there will be a recurring meeting on the last Wednesday morning of the month. This can be adjusted if necessary.

Roles and Responsibilities/Bylaws City Attorney Paul Waters stated Ordinance No. 2025-04, adopted by Council, lays out the mandatory duties under statute and advisory duties as a committee. Many items typically seen in bylaws are already in the ordinance. He also explained the two most relevant statutes that guide the mandatory duties are found in F.S. Sections 218.39, Annual Financial Audit Reports and 218.391, Auditor Selection Process.

Mr. Waters continued that with discretionary duties, it is his understanding that one of the first goals may be the senior center and to figure out the financials. He has committed to providing reimbursement agreements between the city and the nonprofit. There is an agreement for what has been paid and one for the administrative costs moving forward. Those were also presented. All that is left are the amounts to fill in the blanks. The committee could possibly help provide those numbers.

Mr. Rogers stated that the City Attorney's attendance could be on an as-needed basis.

Auditor Selection Process

Mr. Waters explained that in the auditor selection process, price should not be the driving factor. There are other issues such as history, how old the firm is, and qualifications of the individuals performing the audit. He added that the Auditor General provides an Auditor Selection and Auditor Selection Committee Guidance publication. That has also been provided to the committee.

RFP Discussion/ Approval

The committee discussed the Request for Proposals (RFP) for Auditing Services. Discussion included timelines and the process for choosing the new auditor.

Mr. Rogers stated that based on the timeline, he suggested voting to get the RFP out. There is time between making the selection and if the committee needs to make modifications, supplemental instructions could be issued.

Made by Rogers, seconded by Padrta.

MOTION: **TO AUTHORIZE MR. HERNANDEZ TO DISTRIBUTE THE RFP FOR AUDITING SERVICES AS PRESENTED**

Roll Call Vote:
Ayes: 3-Wetzel, Padrta, Rogers
Noes: 0

MOTION CARRIED

FY23 Audit Status

Mr. Hernandez gave an update of the FY23 Audit. He has reviewed the initial draft of the FY23 Audit. He is waiting on the response from Purvis Gray based on his comments. We should have it by the end of June. He is confident we will receive the monies being withheld. Any opinions of the audit should not have any bearing on receiving the monies.

Mr. Rogers added that this item would remain on the agenda to keep everyone updated. It is important to provide transparency about getting it back on track.

Senior Center

Mr. Rogers explained that this is to determine the financial position of the City and the Senior Center relative to the construction project of the new Senior Center. The City has spent $1,064,007.42. $555,550 came from "Better Jax ½ cent sales tax funds. 508,457.42 was paid by CONB directly. Ms. Lyne has stated she agreed to refund $249,630. These funds have not been transferred out of the Senior Center's city account back to the general city account. If this was refunded, this would leave $258,827.42 paid from the general fund (instead of $508,457.42) The Senior Center has $330,890.95 in its cash balance to pay for the $249,630 refund, any other refunds, and any prospective work it would be required to reimburse the city general funds.

Discussion included the actual costs and administrative costs reimbursement agreements.

Mr. Rogers summarized that the Committee would ask Council to consider directing Mr. Hernandez to transfer $249,630 to the General Fund and consider the reimbursement agreements.

Investment Policy

Mr. Rogers expressed interest in the City's cash management. After discussion, Mr. Hernandez advised he would draft an investment policy.

Mr. Rogers stated he wanted to be sure the City is getting a fair market return. He would like to discuss this again and also discuss further options.

Adjournment There being no further business, the Finance & Auditor Selection Committee Meeting adjourned at 10:48 a.m.

Brent Rogers, Chairman

ATTEST:

Catherine Ponson, CMC
City Clerk

CITY OF NEPTUNE BEACH
1931
FLORIDA

Approved: 06-27-2025

These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to: https://www.nbfl.gov/minutes-and-agendas. and click on the video for the meeting you wish to view.