

**JOINT LEGISLATIVE AUDITING COMMITTEE  
MEETING SUMMARY  
December 12, 2019**

**Members in attendance:**

**Representative Jason Fischer, Chair**  
**Senator Jeff Brandes, Vice Chair**  
**Senator Dennis Baxley**  
**Representative Michael Caruso**  
**Representative Chip LaMarca**  
**Senator Tom Lee**  
**Senator Bill Montford**  
**Representative Sharon Pritchett**  
**Representative Bob Rommel**  
**Representative Toledo**  
**Representative Patricia Williams**

**Senator Kevin Rader was excused**

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**Consideration of a request for an Auditor General operational audit of the City of Deerfield Beach submitted by Representative LaMarca**

Representative LaMarca spoke to the Committee regarding the request for the audit.

David Santucci, City Manager of Deerfield Beach, spoke in favor of the audit.

Representative Caruso moved that the Committee direct the Auditor General to perform a targeted operational audit of issues relating to the City of Deerfield Beach. The Auditor General, pursuant to the authority provided in Section 11.45(3), F.S., shall finalize the scope of the audit during the course of the audit, providing that the audit-related concerns of Representative LaMarca as included in his request letter and are considered.

Motion passed unanimously.

**Consideration of a request for an Auditor General operational audit of the City of Port Richey submitted by the Pasco County Legislative Delegation**

Representative Mariano spoke to the Committee regarding the request for the audit.

Representative LaMarca moved that the Committee direct the Auditor General to perform an operational audit of the City of Port Richey. The Auditor General, pursuant to the authority provided in Section 11.45(3), F.S., shall finalize the scope of the audit during the

course of the audit, providing that the audit-related concerns of the Pasco County Legislative Delegation as included in their request letter are considered.

Motion passed unanimously.

**Consideration of a request for an Auditor General operational audit of the West Volusia Hospital District submitted by Representative Sabatini**

Representative Sabatini spoke to the Committee regarding the request for the audit.

Senator Baxley moved that the Committee direct the Auditor General to perform an operational audit of the West Volusia Hospital Authority. The Auditor General, pursuant to the authority provided in Section 11.45(3), F.S., shall finalize the scope of the audit during the course of the audit, providing that the audit-related concerns of Representative Sabatini are addressed.

Motion passed unanimously.

**Consideration of a request for an Auditor General operational audit of the City of Weeki Wachee submitted by Representative Ingoglia**

Representative Rommel spoke to the Committee regarding the request for the audit. Representative Ingoglia was unable to attend the meeting and requested that Representative Rommel present the request on his behalf.

Senator Montford moved that the Committee direct the Auditor General to perform an operational audit of the City of Weeki Wachee. The Auditor General, pursuant to the authority provided in Section 11.45(3), F.S., shall finalize the scope of the audit during the course of the audit, providing that the audit-related concerns of Representative Ingoglia as included in his request letter are considered.

Motion passed unanimously.

**Consideration of a request for an Auditor General operational audit of the Greater Orlando Aviation Authority submitted by Senator Brandes**

Senator Brandes spoke to the Committee regarding the request for the audit.

Representative Prichett moved that the Committee direct the Auditor General to perform a targeted operational audit of the Greater Orlando Aviation Authority. The Auditor General, pursuant to the authority provided in Section 11.45(3), F.S., shall finalize the scope of the audit during the course of the audit, providing that the audit-related concerns of Senator Brandes as included in his request letter and the staff analysis are considered.

Motion passed unanimously.

**Presentation of the Auditor General's operational audit of the City of Palm Bay and response from the City**

Mike Gomez, Audit Manager with the Auditor General's Office, presented the Auditor General's report on the City of Palm Bay.

Representative Fine and Senator Mayfield participated in the Committee meeting.

The following individuals from the City of Palm Bay spoke to the Committee and answered members' questions: Lisa Morrell, City Manager; Harry Santiago, Jr., Councilman; Jeffrey Bailey, Councilman; Brian Anderson, Councilman; and Ron Book.

Committee members asked several questions that were not answered at the meeting and Chair Fischer requested that the City Manager provide answers to these questions.

**The Committee is expected to consider taking action against educational and local governmental entities that have failed to take full corrective action in response to repeat audit findings, pursuant to ss. 11.45(7)(j) and 218.39(8), F.S.**

Chair Fischer called on Debbie White, CPA, Committee Staff, to explain the lists of educational entities and local governmental entities with audit findings that have been reported in at least three successive audit reports.

Chair Fischer entertained a motion to accept the staff's recommendation and direct staff to send a letter to any entity for which the Auditor General reports uncorrected audit findings to the Committee for late-filed 2017-18 audit reports unless a response has been previously provided and it appears that the entity has taken corrective action, to the extent possible, using existing resources. Note: The staff recommendations for the City of Carrabelle also includes the following statement: If the City's 2018-19 fiscal year audit report (due no later than due June 30, 2020) continues to reflect that the City has not addressed a significant number of the long-term audit findings, direct Committee staff to contact the City to discuss the outstanding findings. Committee staff shall notify the Committee member who represents the City regarding any phone calls or meetings that are scheduled. The Committee staff may require a representative of the City to travel to Tallahassee to meet with Committee staff.

Representative Prichett moved the motion and it was adopted unanimously.

**Discussion and consideration of recommendations related to the Committee's role in government accountability**

This item was not considered.

**The Committee is expected to consider taking action against local governmental entities that have met a condition of a financial emergency and have failed to respond to the Governor’s Office, pursuant to s. 218.503(3), F.S.**

Chair Fischer called on Kathy DuBose, Committee Coordinator, to explain the list of entities that have met one or more financial emergency conditions.

Chair Fischer entertained a motion to have that the Committee accept staff recommendations (as noted in table below). Senator Baxley moved the motion.

	Entity (County)	Date Governor’s Office Notified Committee	Financial Emergency Condition(s) Identified in the 2017-18 Fiscal Year Audit Report	Staff Recommendation
<b>MUNICIPALITIES</b>				
1	<a href="#">Town of Century</a> (Escambia)	11/12/2019	The Town: 1. Did not make required debt service payments when due. 2. Did not transfer payroll taxes in a timely manner. 3. Issued payroll checks without sufficient funds in the payroll bank account.	Take action if not received by January 31, 2020
2	<a href="#">City of Midway</a> (Gadsden)	10/1/2019	1. The City failed to pay uncontested claims from creditors within 90 days after the claim was presented, as a result of a lack of funds.	
<b>SPECIAL DISTRICTS</b>				
1	<a href="#">Creekside Community Development District (CDD)</a> (St. Lucie)	10/1/2019	1. The District failed to make certain scheduled debt service payments when due on its Series 2006 Bonds, as a result of a lack of funds.	Take action if not received by January 31, 2020
2	<a href="#">Palm River CDD</a> (Hillsborough)	10/1/2019	1. The District did not pay the principal and interest due on the Series 2007 Bonds, as a result of a lack of funds.	
3	<a href="#">Portofino Isles CDD</a> (St. Lucie)	10/1/2019	1. The District did not make certain scheduled debt service payments and did not meet debt service reserve requirements.	
4	<a href="#">River Place on the St. Lucie CDD</a> (St. Lucie)	10/2/2019	The District: 1. Did not pay the principal on the Special Assessment Bonds, Series 2001B and the Special Assessment Bond Series 2001A, when due. 2. Did not meet the reserve requirement of the Series 2001 Special Assessment Bonds.	
5	<a href="#">Southern Hills Plantation II CDD</a> (Hernando)	10/1/2019	The District: 1. Did not pay required debt service on the Series 2004 Bonds as a result of the lack of funds. 2. Did not pay uncontested claims from creditors within 90 days due to lack of funds.	
6	<a href="#">Stevens Plantation CDD</a> (Osceola)	10/2/2019	The District: 1. Has been unable to make its debt service payments on the Series 2003A and Series 2003B bonds since November 2012 due to lack of funds. 2. Has not met the debt service reserve requirement.	
7	<a href="#">Treeline Preserve CDD</a> (Lee)	10/1/2019	1. In the current and prior years, the District did not pay all of the principal and interest due on the Series 2007A Bonds due to lack of funds.	
8	<a href="#">Villages of Avignon CDD</a> (Manatee)	11/12/2019	The District: 1. In the current and prior years, did not pay principal and interest due on the Series 2007 Bonds as a result of lack of funds. 2. At the fiscal-year end, the District had payables due to creditors that were greater than 90 days old due to lack of funds.	
9	<a href="#">Waterstone CDD</a> (St. Lucie)	10/2/2019	1. The District failed to make its scheduled debt service payments due on the Series 2007B Bonds in the current and prior fiscal years, as a result of a lack of funds.	

Representative Caruso requests that on the schedule in the future, that the amounts of the principal/debt be included on the schedule.

Motion passed unanimously.

**Lobbying firm compensation report audits:**

**Results of audits of lobbying firm compensation reports**

**Consideration of revisions to the *Guidelines for Attestation Services Relating to Quarterly Lobbying Firm Compensation Reports***

Chair Fischer called on Kathy DuBose, Committee Coordinator, to provide the results of the audits of the lobbying firm quarterly compensation reports performed in 2019 and explain the proposed revisions to the Guidelines.

Chair Fischer entertained a motion to approve the draft guidelines and allow staff to make technical and clarifying changes.

Representative Toledo moved the motion and it was adopted unanimously.

Representative Toledo moved to adjourn.