



AGENDA

AUDIT COMMITTEE

August 27, 2025

11:00 AM

City Auditor's Conference Room 117

815 Nicholas Parkway East, Cape Coral, FL 33990

1. MEETING CALLED TO ORDER

- a. Chair Austin

2. ROLL CALL

- a. Austin, Cochrane, Jacobs, Lehmann, Stevens, and Alternate Botterbusch

3. CHANGES TO AGENDA / ADOPTION OF AGENDA

4. CITIZENS INPUT TIME

5. APPROVAL OF MINUTES

- a. Meeting Minutes – June 18, 2025

6. BUSINESS

- a. City Auditor's Office Update Report
- b. Approval of the City Auditor's Office FY26 Strategic and Annual Audit Plan
Audit Committee approval is required.

7. MEMBER COMMENTS

8. TIME AND PLACE OF FUTURE MEETING

- a. Wednesday, September, 10, 2025, at 2:00 p.m. in City Auditor's Conference Room

9. MOTION TO ADJOURN

In accordance with the Americans with Disabilities Act and Florida Statutes 286.26, persons needing a special accommodation to participate in this proceeding should contact the Office of the City Clerk whose office is located at City Hall, 1015 Cultural Park Boulevard, Florida; telephone number is 1-239-574-0411, at least forty-eight (48) hours prior to the meeting for assistance. If hearing impaired, telephone the Florida Relay Service Numbers, 1-800-955-8771 (TDD) or 1-800-955-8700 (v) for assistance.

If a person decides to appeal any decision made by the Board/Commission/Committee with respect to any matter considered at such meeting or hearing, he will need a record of the proceedings, and for such purpose, he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based.



Meeting Type Audit Committee
Meeting Date August 27, 2025

Agenda Request Form

City of Cape Coral

Title:

Meeting Minutes – June 18, 2025

Summary:

Requested Action: Approve or Deny

Additional Information:

Prepared By:

Sheri Rhine, Recording Secretary, 1-239-574-0743

**MINUTES OF THE MEETING OF THE
CITY OF CAPE CORAL AUDIT COMMITTEE**

Wednesday, June 18, 2025

City Auditor's Conference Room

2:00 p.m.

The meeting was called to order at 2:00 p.m. by Chair Austin.

ROLL CALL: Austin, Cochrane, Jacobs, Lehmann, Stevens, and Alternate Member Botterbusch were present.

ALSO PRESENT: Andrea Russell, City Auditor
Rhonda Moen, Controller

CHANGES TO AGENDA / ADOPTION OF AGENDA

Vice Chair Stevens moved, seconded by Committee Member Jacobs, to Adopt the Agenda, as presented. Voice Poll: All "ayes." Motion carried.

Public Input

No speakers.

APPROVAL OF MINUTES

Meeting Minutes – March 12, 2025

Vice Chair Stevens moved, seconded by Committee Member Jacobs, to approve the March 12, 2025 Meeting Minutes, as presented. Voice Poll: All "ayes." Motion carried.

BUSINESS

**FY24 Annual Comprehensive Financial Report
presentation and discussion by Maulden & Jenkins**

Chair Austin turned the floor over to City Auditor Russell for discussion of the FY24 Annual Comprehensive Financial Report.

Wade Sansbury, Partner, Maulden & Jenkins, provided information on the following displayed slides:

- 2024 Presentation of Audit Results To: City of Cape Coral, Florida
- Agenda
- Mauldin & Jenkins, LLC (2 slides)
- General Information About the Annual Comprehensive Financial Report

- General Information About the Annual Comprehensive Financial Report
 - Audit Opinion
- General Information About the Annual Comprehensive Financial Report
 - Compliance Report
 - Single Audit
- Required Communications
 - Significant Accounting Policies
 - Management Judgment / Accounting Estimates
 - Relationship with Management
- Required Communications
 - Management Representation
 - Consultation with Other Accountants
 - Significant Issues Discussed with Management
 - Audit Adjustments
 - Financial Statement Disclosures
- Required Communications
 - Information in Documents Containing Audited Financial Statements
 - Auditor Independence
- Other Information in Auditor's Discussion & Analysis

Discussion held regarding:

- Remediation of 2023 audit findings
- IT System implementation controls to mitigate risk

City Auditor Russell stated she would reach out to the IT Director for an answer.

Discussion held regarding:

- Permitting, inspection and code system software
- External Auditor receipt of feedback from Council
- External Auditor performance
- City's Financial Department

Vice Chair Stevens asked for clarification of the Parks and Recreation expenditures and capital outlay on page 161 of the Annual Comprehensive Financial Report.

Controller Moen responded she would provide the information later.

Discussion held regarding:

- External Auditor's hours spent on the Audit
- Hours and tasks of the City Auditor's Office
- Sports facilities monthly reports

Audit Committee Meeting Schedule discussion

Chair Austin turned the floor over to City Auditor Russell for discussion of the 2025 Meeting Schedule.

City Auditor Russell provided the background information for changing the 2025 meeting schedule and introduced the proposed 2025 alternate meeting schedule.

Discussion held regarding meeting date for August.

Member Cochrane asked City Auditor Russell if canceling the July 16th meeting was her recommendation.

City Auditor Russell responded in the affirmative.

Committee Member Cochrane moved, seconded by Committee Member Lehmann, to cancel the July 16, 2025 meeting. Voice Poll: All “ayes.” Motion carried.

Discussion held regarding:

- Meeting date for August
- Quorum for a meeting

Committee Member Cochrane moved, seconded by Committee Member Lehmann, to add an August 27, 2025 meeting. Voice Poll: All “ayes.” Motion carried.

Discussion held regarding:

- September meeting dates
- Business between August and November
- Special meeting
- Changing meeting dates for 2026 schedule

Committee Member Cochrane moved, seconded by Vice Chair Stevens, to cancel the September 17, 2025 meeting. Voice Poll: All “ayes.” Motion carried.

City Auditor's Update Report - City Auditor Russell

City Auditor Russell reviewed the City Auditor's Office Update 5/13/2025 through 6/10/2025 dated June 10, 2025, which was emailed to the Committee and was posted online as follows:

External Auditors Mauldin & Jenkins (M&J):

- Charter School Audit – Entrance conference was held 5/16/2025. Planning in progress.

Discussion held regarding Lake Kennedy Audit.

In Progress - Internal Staff:

- Cape Coral Police Department (CCPD) Records Management Process Audit – Findings communicated to CCPD. Draft report to be distributed 6/10/2025. Report review meeting scheduled for 6/13/2025. Anticipate issuance prior to the end of June. Andrea Russell is the Auditor-In-Charge.
- City Clerk Records Management Audit – Fieldwork substantially complete. Findings to be communicated shortly to the City Clerk. Philip Toby is the Auditor-In-Charge.
- Emergency Management and Resilience Department – Resilience, Mitigation and Prevention Audit – Planning substantially complete. Anticipate start of fieldwork to begin shortly. Joe Devone is the Auditor-In-Charge.

Discussion held regarding:

- Emergency Management and Resilience Department Audit
- Fire Department ISO Certification
- Records management
- Records storage
- Code audit

Outstanding Post Audit Reviews (PARs):

See attachment for PAR Report. Closed two recommendations this month. There are 31 currently outstanding or preliminarily reviewed. Total of all recommendations closed this month, previously closed, and outstanding is 200.

Professional Development:

- From Ancient Civilizations to Audit Committees: Timeless Ethics for Today's Auditors
- Fraud Forum for Government Auditors
- The Clock is Ticking: 2024 Yellow Book Implementation Update
- Introduction to Forensic Accounting

Audit Plan Status: updated as of 6/10/2025

- Capital Improvement Projects – Lake Kennedy Final Project Audit – Issued.
- Utilities/Information Technology Systems – North Reverse Osmosis Plant Operating Technology – Issued.
- CCFD Station Renovation versus New Build
- CCPD – Training Facility and Processes – Swapped with Records at Deputy Chief's request. Potential push to August/September start.

- CDBG-DR Compliance – Due to funding allocation (County) no longer required to audit.
- City Clerk-Records Management – In progress
- Development Services – Code Compliance Operations – Planned to start late June / early July
- Financial Services – Payroll Process and Implementation
- Financial Services – Travel
- Human Resources – Benefits Enrollment and Administration – Due to Benefits Manager vacancy push to FY26.
- Parks and Recreation / Public Works – Operation Sparkle
- Public Works – Fleet Management Preventative Maintenance – Considering change in subject to overall fleet management
- Public Works – Solid Waste Operations – Pre-planning meeting scheduled for 6/13/2025
- City Annual Comprehensive Financial Review External Auditor Assistance – Complete. On the audit plan but do not include in audit count.

Discussion held regarding:

- CDBG DR Audit
- CCPD – Training Facility and Processes
- Risk Assessment Plan
- Parks and Recreation / Public Works - Operation Sparkle
- Park maintenance
- GO Bond
- Lake Kennedy Racquet Center
- Sun Splash
- Boat house
- Golf Course

Controller Moen stated she would provide the answers later.

FY24 Audit Plan Carryover

- Financial Svcs.-Major Project Procurement Process (Citywide) – Issued

- CCFD ISO non-audit service – Part one complete. ISO visit completed June 5th. Outstanding info due to ISO by end of June. We will complete part two after final rating is received.

Additions to FY25 Audit Plan

- CCPD Records Audit – Added at the request of CCPD. In Progress
- Emergency Management & Resilience Dept, Resilience, Mitigation and Prevention Audit – FKA EM Consultant Services – Re-started. In Progress

Other Items:

- Continue to work on FY25 audits from the FY25 audit plan.
- Start preparation for FY26 Audit Plan.
- City Auditor preparing for external peer review in Suffolk County, NY 6/23 – 6/26/2025.

Discussion held regarding:

- Real Estate properties
- Golf Course Cash Management Audit findings

Member Comments

No comments.

Time and Place of Next Meeting

The next Audit Committee meeting scheduled for Wednesday, July 16, 2025, has been canceled.

The next Audit Committee meeting will be held on Wednesday, August 27, 2025, at 2:00 p.m. in City Auditor's Conference Room.

Motion to Adjourn

There being no further business, the meeting adjourned at 3:18 p.m.

Submitted by,

Sheri Rhine
Recording Secretary



Meeting Type Audit Committee
Meeting Date August 27, 2025

Agenda Request Form

City of Cape Coral

Title:

City Auditor's Office Update Report

Summary:

Requested Action: Informational Only

Additional Information:

Andrea R. Russell, City Auditor

Prepared By:

M. Liebegott, ext. 3383

Back up forthcoming



Meeting Type Audit Committee
Meeting Date August 27, 2025

Agenda Request Form

City of Cape Coral

Title:

Approval of the City Auditor's Office FY26 Strategic and Annual Audit Plan

Summary:

Audit Committee approval is required.

Requested Action: Approve or Deny

Additional Information:

Andrea R. Russell, City Auditor

Prepared By:

M. Liebegott, ext. 3383



Report Issued
August 27, 2025



City of Cape Coral
City Auditor's Office

P.O. Box 150027
Cape Coral, FL 33915-0027
239-242-3383

FY26 Strategic Plan and FY26-FY28 Annual Audit Plans

City Auditor: Andrea R. Russell, CPA, CFE, CIA, CGMA

Deputy City Auditor: Timothy DiSano, CIA, CISA, CFE

REPORT HIGHLIGHTS

FY26 STRATEGIC PLAN AND FY26-FY28 ANNUAL AUDIT PLANS

Issued August 27, 2025

Objectives

Strategic Plan-The primary objective of a strategic plan is to document an organization's mission, vision, and goals and provide a roadmap to achieve them.

Audit Plan-The primary objective of an audit plan is to provide the strategy for the City Auditor's Office performance of audits and to prioritize audit resources to effectively address areas of potential risk identified in the risk assessment, in accordance with Generally Accepted Government Auditing Standards, as well as other areas identified through other audits and City Management and Council's concerns.

WHY THIS MATTERS

A risk based audit plan allows the City Auditor's Office to document a methodical approach to selecting areas for audit in accordance with Resolution 46-10, Sections 4a, b and Generally Accepted Government Auditing Standards.

WHAT WE DID

Strategic Plan

Resolution 46-10 Section 4a requires the City Auditor to develop and submit for approval a Strategic Plan. The proposed Strategic Plan is developed utilizing industry standards and benchmarks and incorporates the City Auditor's Office mission, vision, goals, and objectives. We monitor goals and objectives continuously and report quarterly to City Council.

Annual Audit Plan

Our office completed a risk assessment and met with department directors to discuss areas that may not have been specifically addressed with the risk assessment. Using the risk assessment previously performed as a guide with the input from departments, City management and officials, Audit Plans for the next three years (FY26-FY28) are developed.

The proposed Audit Plan is first presented to the Audit Committee for their review and is updated as necessary based upon discussion with the Audit Committee. The Audit Committee then recommends the Audit Plan to the City Council for approval. The Plan is updated annually and must be presented for approval to City Council by October 1st each year.

Since the document is a plan and situations may arise that require changes, any changes to the Plan are communicated to City Council and the Audit Committee on the City Auditor's Monthly Update Report. Audits included on the Plan do not include any audits completed by the external audit firm engaged to perform the Annual Comprehensive Financial Review, which includes the City's financial and compliance audit.



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Proposed Strategic Plan FY26

Vision:

It is our vision to work in partnership with the City Council, City Management, and the Community without compromising independence, objectivity, or integrity in order to be the City's trusted advisor.

Mission:

Our mission is to enhance and protect organizational value by providing independent, risk-based objective assurance, advice, and insight to the City.

Values:

- Independent
- Objective
- Fact-based
- Integrity
- Due professional care

Goals/Objectives	Action Plan
1. Effectively manage audit staff time with a goal of 70% spent on direct audit projects and limit administrative hours to no more than 30%.	Monitor audit budget hours in comparison to actual time charged to audits. Also monitor audit plan in comparison to available audit resources and specific City needs.
2. Complete 75% of audits on the Approved Audit Plan to provide audits that are timely and useful to the City. In general, audits are prioritized based on the Risk Assessment completed by the City Auditor's Office.	Monitor the progress of audits to help identify additional areas for audit and special projects to ensure appropriate resource allocation. Periodically re-assess schedule and audit plan to ensure effective use of staff and availability
3. Obtain a score of 75% or better on audit surveys for completed audits.	Monitor auditors progress regularly to address any areas for improvement identified by departments to provide timely useful audits and guidance.
4. Perform follow up of audit recommendations within 90 days of department completion for audit office review.	Review and test implemented recommendations in a timely manner to ensure implementation is carried out according to management action plans.
5. Individual auditors complete three or more audits/projects for the year.	Meet with auditors regularly to address any issues with audits and keep on track with scheduled deadlines to complete all audits and projects on the plan.

Proposed Audit Plans FY26 - FY28

Proposed Annual Audit Plan FY26

Area/Focus of Audit	Projected Hours
CCFD-Station Renovation versus New Build	650
CCPD-Call Prioritization and Response Times (limited scope audit)	400
Charter School Authority-Information Technology Systems	550
City Clerk-Services	650
City Manager-Economic Development Incentive/Development Programs	550
Citywide Operating Agreements	650
Development Services-Planning Division	650
Human Resources-Benefits Administration	550
Parks and Recreation-Staffing/Position Roles and Responsibilities	450
Public Safety Information Technology Analysis	750
Public Works-Fleet Management Operations	650
School Zone Cameras	450
Utilities-Procurement	650
City Annual Comprehensive Financial Review External Auditor Assistance	200
Total Hours	7,800

Proposed Annual Audit Plan FY27

Area/Focus of Audit	Projected Hours
Financial Services-Grants Management	550
ITS-Ticket Processes and New Laptop Process	650
Public Works-Transportation Division Resources and Operations	650
CCFD-Public Information	550
CCPD-Training Facility	650
Charter School Authority-School Lunch	650
City Clerk-Business Tax Receipts	550
City Manager-311 Program	650
Development Services-Planning Division/Land Use Application Process	650
Emergency Management and Resilience-Operations and Readiness	550
GO Bond Funding and Project Status	300
Parks and Recreation/Public Works-(f.k.a. Operation Sparkle) Park Centers and Facilities Maintenance	650
Public Works-Bridge and Weir Maintenance/Repair/ Replacement	550
City Annual Comprehensive Financial Review External Auditor Assistance	200
Total Hours	7,800

Proposed Annual Audit Plan FY28

Area/Focus of Audit	Projected Hours
CCFD-Fire Prevention-Pre plans	650
CCFD-Public Education (If not combined with FY27 CCFD Public Information)	500
CCPD-Seized and Forfeited Assets	550
Charter School Authority-Before and After Care	650
Citywide Kaizen Event Status and Progress	550
Citywide Prior Audit Closed Recommendation Follow Up Audit	750
Development Services-Software Review	650
Human Resources-Compensation	650
Parks and Recreation-Special Events Management and Coordination	650
Parks and Recreation Volunteer Programs Monitoring	550
Public Works-Real Estate Property Acquisition Process	650
Public Works-Stormwater Management and Operations	650
City Annual Comprehensive Financial Review External Auditor Assistance	200
Special Projects/Non-Audit Services/Carry-Forward	150
Total Hours	7,800



Other Special Projects, Potential Audits and Non-Audit Services

As part of the City Auditor's Office responsibilities, we provide advisory services to management and City officials. Depending on the scope of the project, we may perform a non-audit service or special project. While conducting the risk assessment meetings, we identified certain areas that we would consider as additions to the plan that we have included below.

- Electric Franchise Fee Audit
- Council Procedures
- Contingency Fee/Contract Change Order Process
- Vacation Rental Program