

Subject to Board Approval

Minutes
Monthly Regular Meeting
Collier Soil and Water Conservation District
14700 Immokalee Road, Naples, Florida 34120

A Regular Meeting of the Board of Supervisors was called to order September 18, 2014 at 8:30 a.m.

Present: Supervisor Dennis Vasey, Chairman; Supervisor Stan Weiner, Vice-Chairman; Supervisor James Lang, Secretary; and, Supervisor Bruce Reichert, Treasurer, Supervisor Clarence Tears.

NRCS District Conservationist Bob Beck

Staff: Mr. Michael R. Ramsey, Environmental Manager

Guest:

I. Pledge of Allegiance

II. Introduction of Guests

III. Obituary

Kimberly J. (Lewis) Bucceri

November 10, 1959 - September 6, 2014

Kimberly J. (Lewis) Bucceri, 54 years of age of Naples, Florida died suddenly on Saturday, September 6, 2014 in Physicians Regional Hospital in Naples. She was the wife of John R. Bucceri. She was born in Lynn, the daughter of Joyce (Coombs) Lewis of Rochester, NH and the late Roy Lewis. She was raised in Lynn and was a graduate of Lynn English High School. She has lived in Naples since 1993.

Kim was employed as an administrative secretary with Collier Soil and Water Conservation District. She loved her family; she was a loving and devoted wife, mother, daughter and grandmother. She enjoyed arts and crafts and working around the house.

In addition to her husband and mother she is survived by a daughter Kymberli Faughnan of Naples, her grandchildren Kymberlee, Sergio and Evie, her brothers Jeffrey Lewis and his wife Maria of Lynn, Stephen Lewis and his wife Pat of Rochester, NH. She also leaves several nieces and nephews.

Her funeral was held on Friday, September 12, 2014 at 11:00 AM in the Solimine Funeral Home, 426 Broadway (Route 129) Lynn. Burial was at Puritan Lawn Memorial Park in Peabody.

See more at: <http://www.solimine.com/obituary/Kimberly-J.-Lewis-Bucceri/Naples-FL/1418520#sthash.fKcw1bki.dpuf>

IV. Approval of Agenda. Mr. Vasey motioned; Mr. Reichert 2nd, all ayes. Agenda approved.

V. Regular Meeting Minutes. Mr. Weiner motioned approval of the August 15, 2014 Regular Meeting Minutes; Mr. Reichert 2nd, all ayes. Minutes approved.

VI. Finance Reports: 2014 Trial Balance approved for audit.

VI. Reports

A. Environmental Manager's Report: Mr. Michael R. Ramsey, Environmental Manager presented a recommendation to terminate our participation in ROMA. ROMA is an expensive and time-consuming District function which cannot continue without a separate, guaranteed, funding source. The funding must not rely on the sale of fractional or full mitigation credits for residential construction and must be paid in advance—municipal, county, state and federal projects are initiated with a fee for administrative processing and payment for work before the project is put on their work plan. We have underwritten all costs except where a treatment was contracted and, at the moment, no permits appear in the future which is market driven while the reports and work are calendar driven.

B. Mr. Siverling, Senior Technician, Lower West Coast Mobile Irrigation Lab, covered office activities.

VII. Old Business:

1. ROMA: Resolution to Terminate.

Motion to Terminate. Mr. Vasey; Mr. Lang, Second. Vote to Terminate: Supervisor Dennis Vasey, Chairman; Supervisor Stan Weiner, Vice-Chairman; Supervisor James Lang, Secretary; Supervisor Bruce Reichert, and Supervisor Clarence Tears.

2. 2012-2013 Audit Discussion. Handout. Ms. Bucceri and I discussed our bookkeeping problems during her annual appraisal period and we concluded that she was not able to perform that function.

The audit began in mid-June and we received fair value for their work product—See attachment.

3. Notice to Amend. Remove the word “Bylaw” or “Bylaws” and replace with the words Operating Agreement

Motion to Amend the Bylaws. Mr. Vasey; Mr. Lang, Second. Vote to Terminate: Supervisor Dennis Vasey, Chairman; Supervisor Stan Weiner, Vice-Chairman; Supervisor James Lang, Secretary; Supervisor Bruce Reichert, and Supervisor Clarence Tears.

VIII. New Business

1. Discussion-Virtual Office Proposal

Motion to authorize the Chairman to negotiate Virtual Office services. Tabled until next meeting. Vote to approve Supervisor Dennis Vasey, Chairman to negotiate Virtual Office services: Supervisor Stan Weiner, Vice-Chairman; Supervisor James Lang, Secretary; Supervisor Bruce Reichert, and Supervisor Clarence Tears. Abstain: Supervisor Dennis Vasey, Chairman

2. Discussion-Bookkeeping Letter of Engagement

Motion to Accept Bookkeeping Letter of Engagement. Mr. Tears; Mr. Lang, Second. Vote to Accept: Supervisor Dennis Vasey, Chairman; Supervisor Stan Weiner, Vice-Chairman; Supervisor James Lang, Secretary; Supervisor Bruce Reichert, and Supervisor Clarence Tears.

3. 2013-2014 Budget Amendment

Motion to Amend the 2013-14 Budget. Mr. Vasey; Mr. Lang, Second. Vote to Amend: Supervisor Dennis Vasey, Chairman; Supervisor Stan Weiner, Vice-Chairman; Supervisor James Lang, Secretary; Supervisor Bruce Reichert, and Supervisor Clarence Tears.

ADD:

- A. Audit Cost: \$18,000.00
- B. Bookkeeper Cost: \$700

DELETE

Payroll Entry for Bucceri Est. \$1,600

4. 2014-2015 Budget Amendment Delete

Motion to Amend the 2014-15 Budget. Mr. Lang; Mr. Tears, Second. Vote to Amend: Supervisor Dennis Vasey, Chairman; Supervisor Stan Weiner, Vice-Chairman; Supervisor James Lang, Secretary; Supervisor Bruce Reichert, and Supervisor Clarence Tears.

DELETE

Payroll Entry for Bucceri Est. \$39,000.00

6212 · Michael Ramsey	396.88
6209 · Kimberly Bucceri	1,979.43

ADD:

- A. Audit Cost: \$17,000.00
- B. Bookkeeper Cost: \$2,100.00
- C. Virtual Office Cost: \$1,800

IX. Announcements/Public Comment

X. Next Regular Meeting: University of Florida Institute of Food and Agricultural Sciences Collier County Extension Building, 14700 Immokalee Road, Naples, FL 34120, October 16, 2014.

XI. Adjourn: Mr. Lang motioned to adjourn; Mr. Reichert 2nd, all ayes. Regular Meeting adjourned at 9:15 a.m.

Attachment:

What auditors do

The outside, independent auditor is engaged to render an opinion on whether a company's financial statements are presented fairly, in all material respects, in accordance with financial reporting framework. The audit provides users such as lenders and investors with an enhanced degree of confidence in the financial statements. An audit conducted in accordance with GAAS and relevant ethical requirements enables the auditor to form that opinion.

To form the opinion, the auditor gathers appropriate and sufficient evidence and observes, tests, compares and confirms until gaining reasonable assurance. The auditor then forms an opinion of whether the financial statements are free of material misstatement, whether due to fraud or error.

Some of the more important auditing procedures include:

- Inquiring of management and others to gain an understanding of the organization itself, its operations, financial reporting, and known fraud or error
- Evaluating and understanding the internal control system
- Performing analytical procedures on expected or unexpected variances in account balances or classes of transactions
- Testing documentation supporting account balances or classes of transactions
- Observing the physical inventory count
- Confirming accounts receivable and other accounts with a third party

At the completion of the audit, the auditor may also offer objective advice for improving financial reporting and internal controls to maximize a company's performance and efficiency.

What auditors don't do

For a clear picture of the role of external auditors, it helps to understand what you should not expect auditors to do. The emphasis is on "independent."

First and foremost, auditors do not take responsibility for the financial statements on which they form an opinion. The responsibility for financial statement presentation lies squarely in the hands of the company being audited.

Auditors are not a part of management, which means the auditor will not:

- Authorize, execute or consummate transactions on behalf of a client
- Prepare or make changes to source documents
- Assume custody of client assets, including maintenance of bank accounts
- Establish or maintain internal controls, including the performance of ongoing monitoring activities for a client
- Supervise client employees performing normal recurring activities
- Report to the board of directors on behalf of management
- Serve as a client's stock or escrow agent or general counsel
- Sign payroll tax returns on behalf of a client
- Approve vendor invoices for payment
- Design a client's financial management system or make modifications to source code underlying that system
- Hire or terminate employees

This list is not all-inclusive. But, in short, the auditor may not assume the role and duties of management.

In practical terms, there are a number of tasks you should not expect your auditor to perform.

- Analyze or reconcile accounts
- "Close the books"
- Locate invoices, etc., for testing
- Prepare confirmations for mailing
- Select accounting policies or procedures
- Prepare financial statements or footnote disclosures
- Determine estimates included in financial statements
- Determine restrictions of assets
- Establish value of assets and liabilities
- Maintain client permanent records, including loan documents, leases, contracts and other legal documents
- Prepare or maintain minutes of board of directors meetings
- Establish account coding or classifications
- Determine retirement plan contributions
- Implement corrective action plans
- Prepare an entity for audit

Your external auditor may perform some of these duties under guidelines of the American Institute of CPAs, Department of Labor, Government Accountability Office, Securities and Exchange Commission or Public Company Accounting Oversight Board. However, these same guidelines may preclude the auditor from performing some of these functions.

Management's responsibilities in an audit.

The words, "The financial statements are the responsibility of management," appear prominently in an auditor's communications, including the audit report.

Management's responsibility is the underlying foundation on which audits are conducted. Simply put, without management having responsibility for the financial statements, the demarcation line that determines the auditor's independence and objectivity regarding the client and the audit engagement would not be as clear.

It is important for a company's management to understand exactly what an audit is – and what an audit does and does not do. The auditor's responsibility is to express an independent, objective opinion on the financial statements of a company. This opinion is given in accordance with auditing standards that require the auditors to plan certain procedures and report on the results of the audit, while considering the representations, assertions and responsibility of management for the financial statements.

As one of their required procedures, auditors ask management to communicate management's responsibility for the financial statements to the auditor in a representation letter. The auditor concludes the engagement by using those same words regarding management's responsibility in the first paragraph of the auditor's report.

Auditors cannot require management to do anything or to make any representation. However, to conclude the audit with the hope of a "clean" unqualified opinion issued by the auditor, management has to assume the responsibility for the financial statements.

Auditing standards are very clear that management has the following responsibilities fundamental to the conduct of an audit:

1. To prepare and present the financial statements in accordance with an applicable financial reporting framework, including the design, implementation and maintenance of internal controls relevant to the preparation and presentation of financial statements that are free from material misstatements, whether from error or fraud
2. To provide the auditor with the following information:
 - All records, documentation and other matters relevant to the preparation and presentation of the financial statements
 - Any additional information the auditor may request from management
 - Unrestricted access to those within the organization if the auditor determines it necessary to obtain audit evidence objectivity.

It is not uncommon for the auditor to make suggestions about the form and content of the financial statements, or even assist management by drafting them, in whole or in part, based on information provided by management. In those situations, management's responsibility for the financial statements does not diminish or change.