

**TOWN OF FORT MYERS BEACH, FLORIDA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
AS OF AND FOR THE NINE MONTHS ENDED  
SEPTEMBER 30, 1996**

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**INDEPENDENT AUDITORS' REPORT ON  
GENERAL PURPOSE FINANCIAL STATEMENTS**

Honorable Mayor and Town Council  
Town of Fort Myers Beach  
Fort Myers Beach, Florida

We have audited the accompanying general purpose financial statements of the Town of Fort Myers Beach, Florida (the "Town"), as of and for the nine months ended September 30, 1996, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Fort Myers Beach, as of September 30, 1996, and the results of its operations for the nine months then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards* we have also issued a report dated January 8, 1997 on our consideration of the Town's internal control structure and a report dated January 8, 1997 on its compliance with laws and regulations.

*Schultz, Chaipel & Co.*  
Schultz, Chaipel & Co.  
January 8, 1997



TOWN OF FORT MYERS BEACH  
 COMBINED BALANCE SHEET - ALL GOVERNMENTAL  
 FUND TYPES AND ACCOUNT GROUP  
 September 30, 1996

	Governmental Fund Types		Account Group	Total (Memorandum Only)
	General Fund	Special Revenue Fund	General Fixed Assets	
<b>ASSETS</b>				
Cash	\$ 36,847	\$22,290	\$ -	\$ 59,137
Investments	490,475	-	-	490,475
Due from other governmental agencies	36,832	2,468	-	39,300
Equipment	-	-	19,791	19,791
Total assets	<u>\$564,154</u>	<u>\$24,758</u>	<u>\$19,791</u>	<u>\$608,703</u>
<b>LIABILITIES EQUITY AND OTHER CREDITS</b>				
<b>LIABILITIES</b>				
Vouchers payable	\$ 30,898	\$ -	\$ -	\$ 30,898
Accrued expenses	19,040	-	-	19,040
Tax anticipation note	500,000	-	-	500,000
Total liabilities	<u>549,938</u>	<u>-</u>	<u>-</u>	<u>549,938</u>
<b>EQUITY AND OTHER CREDITS</b>				
Investment in general fixed assets	-	-	19,791	19,791
Fund balance				
Designated for road improvements	-	24,758	-	24,758
Undesignated	<u>14,216</u>	<u>-</u>	<u>-</u>	<u>14,216</u>
Total equity and other credits	<u>14,216</u>	<u>24,758</u>	<u>19,791</u>	<u>58,765</u>
Total liabilities, equity and other credits	<u>\$564,154</u>	<u>\$24,758</u>	<u>\$19,791</u>	<u>\$608,703</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF FORT MYERS BEACH  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
 For the Nine Months Ended September 30, 1996

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total (Memorandum Only)</u>
<b>REVENUES</b>			
Taxes	\$ 8,902	\$ -	\$ 8,902
Licenses and permits	2,230	-	2,230
Intergovernmental revenue	329,068	14,373	343,441
Miscellaneous			
Interest	16,331	86	16,417
Other	<u>535</u>	<u>-</u>	<u>535</u>
Total revenues	<u>357,066</u>	<u>14,459</u>	<u>371,525</u>
<b>EXPENDITURES</b>			
Current			
General government	284,671	19	284,690
Public safety	51	-	51
Economic environment	8,756	-	8,756
Capital outlay	19,791	-	19,791
Debt service			
Interest	<u>19,263</u>	<u>-</u>	<u>19,263</u>
Total expenditures	<u>332,532</u>	<u>19</u>	<u>332,551</u>
Excess of revenues over expenditures	<u>24,534</u>	<u>14,440</u>	<u>38,974</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	-	10,318	10,318
Operating transfers out	<u>(10,318)</u>	<u>-</u>	<u>(10,318)</u>
Total other financing sources (uses)	<u>(10,318)</u>	<u>10,318</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other financing uses	14,216	24,758	38,974
<b>FUND BALANCES, beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ending</b>	<u>\$ 14,216</u>	<u>\$24,758</u>	<u>\$ 38,974</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF FORT MYERS BEACH  
NOTES TO FINANCIAL STATEMENTS  
September 30, 1996

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The Town of Fort Myers Beach, Florida (the "Town"), was incorporated pursuant to Chapter 95-494 Laws of Florida. The Town is governed by an elected five member Town Council, and provides the following services: recreation, planning and zoning, and general and administrative services.

Governmental Accounting Standards Board (GASB) Statement Number 14, "Financial Reporting Entity" requires the financial statements of the Town (the primary government) to include its component units, if any. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. Based on the criteria established in GASB 14, there are no potential component units required to be included in the Town's financial statements.

**Summary of Significant Accounting Policies**

The following is a summary of the more significant accounting policies used in the preparation of these general purpose financial statements.

(a) Fund accounting

The accounts of the Town are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, by type, in the financial statements. The following fund types and account group are used by the Town:

**Governmental Fund Types**

General Fund - The General Fund is the general operating fund of the Town. It accounts for all financial resources, except those required to be accounted for in another fund.

TOWN OF FORT MYERS BEACH  
NOTES TO FINANCIAL STATEMENTS  
September 30, 1996

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

**Summary of Significant Accounting Policies (Continued)**

(a) Fund accounting (Continued)

Special Revenue Funds - The Special Revenue Fund is used to account for revenue from grant agreements and also to account for revenues and expenditures from hurricane relief donations.

Account Group

General Fixed Assets - This account group is used to account for all fixed assets of the Town.

(b) Measurement focus

Governmental Fund Types - The General and Special Revenue Funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheets. Accordingly, the reported undesignated fund balance (net current assets) are considered a measure of available, spendable or appropriable resources. Governmental fund type operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Account Group - The General Fixed Assets Account Group is concerned only with the measurement of financial position and are not involved with the measurement of results of operations.

(c) Basis of accounting

Basis of accounting refers to when revenue and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

TOWN OF FORT MYERS BEACH  
NOTES TO FINANCIAL STATEMENTS  
September 30, 1996

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

**Summary of Significant Accounting Policies (Continued)**

(c) Basis of accounting (Continued)

The general purpose financial statements for the Governmental Fund Types have been prepared on the modified accrual basis. The modification in such method from the accrual basis is that revenue is recorded when it becomes measurable and available to finance operations of the current year. Taxpayer-assessed income, gross receipts and taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on general long-term debt, if any, are recognized when due; and (2) expenditures are not divided between years by the recording of prepaid expenditures.

(d) Budgets and budgetary accounting

The Town follows these procedures in establishing the legally adopted budgetary data for the general purpose financial statements:

1. On or before July 15th of each year, the Town Manager is to submit to the Town Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of a resolution required by Town Charter and as required by the State of Florida.
4. Governmental Funds that do not have a legally adopted budget are not included in budget to actual general purpose financial statements.

TOWN OF FORT MYERS BEACH  
NOTES TO FINANCIAL STATEMENTS  
September 30, 1996

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

**Summary of Significant Accounting Policies (Continued)**

(d) Budgets and budgetary accounting (Continued)

The Town did not formally adopt a budget for its General or Special Revenue Fund for the nine months ended September 30, 1996.

(e) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Town because it is at present considered not necessary to assure effective budgetary control or to facilitate effective cash planning and control.

(f) Fixed assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in Governmental Fund Types, and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized as these assets are immovable and of value only to the government.

Assets in the General Fixed Assets Account Group are not depreciated. The Town follows a capitalization policy which calls for the capitalization of all fixed assets which have costs of \$500 or more and useful lives in excess of one year.

TOWN OF FORT MYERS BEACH  
NOTES TO FINANCIAL STATEMENTS  
September 30, 1996

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

**Summary of Significant Accounting Policies (Continued)**

(g) **Compensated absences**

Under the Town's current policy, vacation and sick pay does not vest. Based on this, there are no compensated absences at September 30, 1996 recorded in the general purpose financial statements.

(h) **Long-term obligations**

Long-term debt is recognized as a liability of a Governmental Fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as fund liability of a Governmental Fund. The remaining portion of such obligations is reported in the General Long-Term Debt Account Group.

(i) **Total columns on general purpose financial statements**

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - CASH AND INVESTMENTS**

**Deposits**

**General**

All Town depositories are financial institutions designated by the State Treasurer as qualified public depositories. Chapter 280 of the Florida Statutes (Florida Security for Public Deposits Act) provides procedures for public deposits to insure deposits in banks and savings and loans are collateralized as public funds.

TOWN OF FORT MYERS BEACH  
NOTES TO FINANCIAL STATEMENTS  
September 30, 1996

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

**Deposits (Continued)**

**General (Continued)**

When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. Chapter 280 defines deposits as time deposit accounts, demand deposit accounts, and certificates of deposit. The bank balance of deposits insured by Federal depository insurance or pursuant to Chapter 280 of the Florida Statutes was \$59,899 as of September 30, 1996.

**Investments**

The Town is authorized to invest in the following:

- (1) Local Government Surplus Trust Fund (State Board of Administration investment pool);
- (2) Money market mutual funds registered with the Securities and Exchange Commission and having the highest credit quality rating from a nationally recognized rating agency;
- (3) Savings accounts in, or certificates of deposit of, any bank, savings bank, or savings and loan association incorporated under the laws of this State or organized under the laws of the United States doing business and situated in this State, the accounts of which are insured by the Federal Government or an agency thereof; and have been designated by the State Treasurer as a qualified depository;
- (4) Bonds, notes, or other obligations of the United States which are pledged by the full faith and credit of the United States; and
- (5) Obligations of the Federal Farm Credit Banks, Federal Home Loan Bank and its district banks, Federal Home Loan Mortgage Corporation, including participation certificates, and obligations guaranteed by the Government National Mortgage Association.

There were no violations to this policy during the fiscal year.

The Town's investments at September 30, 1996, consisted of deposits with the State Board of Administration investment pool. Both the carrying and market value of this investment was \$490,475

TOWN OF FORT MYERS BEACH  
 NOTES TO FINANCIAL STATEMENTS  
 September 30, 1996

**NOTE 3 - PROPERTY, PLANT AND EQUIPMENT**

The summary of changes in general fixed assets for the nine months ended September 30, 1996 is as follows:

	<u>Balance January 1, 1996</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 1996</u>
Equipment	\$ <u>-</u>	\$ <u>19,791</u>	\$ <u>-</u>	\$ <u>19,791</u>

**NOTE 4 - TAX ANTICIPATION NOTE**

In January 1996, the Town issued a Tax Anticipation Note in the amount of \$500,000. This note bears interest at 4.07%. Principal and accrued interest are due on December 31, 1996.

It is anticipated that the balance of the Town's investment with the State Board of Administration investment pool at December 31, 1996, together with Ad Valorem taxes to be levied for the fiscal year ending September 30, 1997, will be used to liquidate this note.

**NOTE 5 - RETIREMENT PLAN**

The Town sponsors a defined contribution pension plan that covers all employees. Contributions to the plan are based on ten percent of the employees annual compensation. For the nine months ended September 30, 1996, contributions to the plan totaled \$7,349.

**NOTE 6 - COMMITMENTS**

The Town leases its office space under an operating lease expiring in December 1998. Minimum future lease payments under this lease are \$12,000 and \$3,000 for the fiscal years ending September 30, 1997 and 1998, respectively. Rent expense for the nine months ended September 30, 1996, was \$9,000.

The lease includes a renewal option for an additional three years at the same rental rate.



CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL  
CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL  
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Town Council  
Town of Fort Myers Beach  
Fort Myers Beach, Florida

We have audited the general purpose financial statements of the Town of Fort Myers Beach, Florida (the "Town"), as of and for the nine months ended September 30, 1996, and have issued our report thereon dated January 8, 1997.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Town is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.



In planning and performing our audit of the general purpose financial statements of the Town for the nine months ended September 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted other matters involving the internal control structure and its operation that we have reported to the management of the Town in a separate letter dated January 8, 1997.

This report is intended for the information of the management of the Town of Fort Myers Beach, Florida and the Auditor General of the State of Florida. However, this report is a matter of public record and its distribution is not limited.

*Schultz, Chaipel & Co.*  
Schultz, Chaipel & Co.  
January 8, 1997

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Town Council  
Town of Fort Myers Beach  
Fort Myers Beach, Florida

We have audited the general purpose financial statements of the Town of Fort Myers Beach, Florida (the "Town"), as of and for the nine months ended September 30, 1996 and have issued our report thereon dated January 8, 1997.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Town is the responsibility of the Town's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Town's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

This report is intended for the information of the management of the Town of Fort Myers Beach, Florida and the Auditor General of the State of Florida. However, this report is a matter of public record and its distribution is not limited.

*Schultz, Chaipel & Co.*  
Schultz, Chaipel & Co.  
January 8, 1997

**MANAGEMENT LETTER**

Honorable Mayor and Town Council  
Town of Fort Myers Beach  
Fort Myers Beach, Florida

We have audited the financial statements of the Town of Fort Myers Beach, Florida, as of and for the nine months ended September 30, 1996, and have issued our report thereon dated January 8, 1997.

We have issued our Independent Auditor's Report On Internal Control Structure and our Independent Auditor's Report On Compliance With Laws and Regulations both dated January 8, 1997. Disclosures in those reports, if any, should be considered in conjunction with this management letter.

We conducted our audit in accordance with generally accepted auditing standards, and *Government Auditing Standards* issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General Section 10.554(1)(f)1. does not apply since this was the first audit since the Town's inception.

The Rules of the Auditor General Section 10.554(1)(f)2. does not apply since this was the first audit since the inception of the Town.

As required by the Rules of the Auditor General (Section 10.554(1)(f) 3.), the scope of our audit included a review of the provisions of Section 218.503(1), Florida Statutes, "Determination of Financial Emergency." In connection with our audit, we determined that the Town of Fort Myers Beach, Florida, is not in a state of financial emergency as a consequence of the conditions described by Section 218.503(1), Florida Statutes.

As required by the Rules of the Auditor General (Section 10.554(1)(f) 4.), we determined that the annual financial report for the Town of Fort Myers Beach, Florida, for the fiscal year ended September 30, 1996, was filed with the Department of Banking Finance pursuant to Section 218.32, Florida Statutes, and is in agreement with the annual financial audit report of the nine months ended September 30, 1996.

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The Rules of Auditor General (Sections 10.554(1)(f)6., 7., 8., 9.) require disclosure in the management letter of the following matters if not already addressed in the auditor's reports on the internal control structure or compliance: recommendations to improve financial management, accounting procedures, and internal controls; violations of laws, rules and regulations which may or may not materially affect the financial statements; illegal or improper expenditures which may or may not materially affect the financial statements; improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); failures to properly record financial transactions; and other inaccuracies, irregularities, shortages, and defalcations discovered by the auditor. Our audit disclosed the following matters required to be disclosed by Rules of Auditor General (Sections 10.554(1)(f)6., 7., 8., 9.):

**PRIOR YEAR COMMENTS**

Not applicable.

**CURRENT YEAR COMMENTS**

1. Comment

Currently, the administrative assistant is responsible for the posting of all receipt and disbursement transactions. She is also responsible for preparing the monthly bank reconciliation.

Recommendation

We realize the Town has a very limited number of full time staff. However, we suggest that the Assistant Town Manager receive the monthly bank statement unopened and review its contents for unusual activity before the statement is given to the administrative assistant. The Assistant Town Manager should initial the bank statement to evidence his review.

2. Comment

Our review of paid invoices disclosed that they are not consistently cancelled upon payment. Nor is there a consistent notation as to approval for payment.

Recommendation

Each invoice should include the initials of the appropriate party approving it for payment. It should be cancelled by noting the date of payment and check number. In addition, the account to be charged should also be indicated on the invoice.

CURRENT YEAR COMMENTS (Continued)

3. Comment

The contract with the Town Manager defines the amount of vacation and sick leave she will accrue each month. This contract also states that upon termination the Town Manager will "receive payment for any accrued vacation and sick leave in accordance with the Town's policy governing other employees". However, a formal policy of vacation and sick hours earned by other Town staff and what will be paid at termination does not currently exist.

Recommendation

A formal policy should be implemented defining vacation and sick leave accruals for all employees. This policy should also set forth how much and under what conditions an employee will be paid for unused vacation and sick hours upon termination of employment.

4. Comment

During our review of travel expenditures we noted that sufficient supporting documentation is not always present and that Florida Statute 112.061 is not being followed as it relates to mileage and meal reimbursement rates.

Recommendation

We recommend that the Town adopt a policy requiring the use of an expense report form along with actual receipts attached before any reimbursement is given.

The Rules of the Auditor General (Section 10.554(1)(f)10.) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in Note 1 to the financial statements.

This management letter is intended solely for the information of the Town of Fort Myers Beach, Florida, management, and the State of Florida Office of the Auditor General. However, this report is a matter of public record and its distribution is not limited.

*Schultz, Chaipel & Co.*

Schultz, Chaipel & Co.  
January 8, 1997