

SANIBEL FIRE & RESCUE DISTRICT

Resolution No. 24-006

RESOLUTION OF THE BOARD OF FIRE COMMISSIONERS OF THE SANIBEL FIRE & RESCUE DISTRICT, LEE COUNTY, FLORIDA, TO CORRECT THE IDENTIFIED ACCOUNTING DISCREPANCIES.

WHEREAS, the Board of Commissioners of the Sanibel Fire & Rescue District (hereinafter referred to as the "Board") was created and exists under Chapters 189 and 191 Florida Statutes to provide emergency fire and rescue services within its service area as described in Chapter 200-398, Laws of Florida; and

WHEREAS, the District's Certified Accountant has reviewed the Balance Sheet for the period ending January 30, 2024, and identified several discrepancies that require attention; and

WHEREAS, these discrepancies have arisen from periods prior to the current fiscal year and need to be addressed to ensure the financial statements accurately reflect the District's financial position;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby directs the Fire Chief and Designee to take the following actions to correct the identified discrepancies:

Accounts Receivable: Conduct a detailed review of accounts receivable, particularly items from 2013 and 2014, and write off any amounts deemed uncollectible to clean up the ledger.

Interest Receivable: Reverse the 2012 adjustment made to accrue interest which should have been received in 2013, ensuring the accounts reflect actual receipts.

Other Receivables: Correct the entry made on December 7, 2021, that was incorrectly posted to other receivables instead of the bank account. Remove the duplicate entry from the bank account to rectify the overstatement in income accounts and liabilities.

Due From General Fund/Due from other Government Special Revenue: Reverse the audit adjustments made as of September 30, 2021, that were not correctly reversed in the subsequent period.

Building: Reclassify the Lowe's charge dated February 10, 2022, from the building account to repairs to accurately reflect the nature of the expense.

Capital Credits: Adjust the LCEC credit on the electric bill in 2021 from an asset account to miscellaneous income, as it was incorrectly posted.

Accounts Payable: Review all details within accounts payable to identify and remove old invoices that are no longer valid, ensuring only current liabilities are represented.

Liabilities and Equity: Adjust prior errors in the statement of retirement and insurance liabilities to correct amounts previously misstated, ensuring the current period reflects accurate liabilities.

Accrued Expenses: Reverse the accrual of payroll expenses from September 30, 2021, that was not correctly reversed, ensuring accrued expenses are accurately reported.

Deferred Revenue - EMS: Review the contract and banking transactions to address the mismatch between deferred revenue and bank account balances. Take necessary steps to recognize income properly and transfer funds as required by the contract, including catching up on payments not taken since September 30, 2020, to ensure the accounts are reconciled.

THEREFORE BE IT RESOLVED, that the Fire Chief and Designee provide a report on the implementation of these corrections, including any adjustments made to the financial statements, to the Board of Directors at the next scheduled meeting.

MOTION: Commissioner _____, Who, so moved for its adoption, offered the foregoing resolution. The motion was seconded by Commissioner _____, and upon being put to a vote the vote was as follows:

VOTE:

- Commissioner Jerrold Muench: Y ___ N ___
- Commissioner Bruce Cochrane: Y ___ N ___
- Commissioner Richard McCurry: Y ___ N ___

PASSED AND DULY ADOPTED by the Board of Commissioners of the SANIBEL FIRE & RESCUE DISTRICT, this 1ST day of March, 2024.

BOARD OF COMMISSIONERS
SANIBEL FIRE & RESCUE DISTRICT

By:

Jerry Muench, Chairman

Bruce Cochrane, Vice Chair

Richard McCurry, Secretary

Attest:

Print name and title