

RESOLUTION 26-01

A RESOLUTION OF THE CITY OF MARCO ISLAND, FLORIDA AMENDING RESOLUTION 20-06 TO PROVIDE FOR ADDITIONAL RESPONSIBILITIES FOR THE CITY OF MARCO ISLAND AUDIT ADVISORY COMMITTEE; PROVIDING FOR THE COMMITTEE'S PURPOSE, MEMBERSHIP, DUTIES, RESPONSIBILITIES, AND MEETINGS; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 2-201, Code of Ordinances of the City of Marco Island, provides, with regard to the normative manner and method of creating City boards and committees, that advisory bodies may be created by ordinance, resolution, or motion at the discretion of City Council and shall also describe the duties and the qualifications of its members; and

WHEREAS, Section 1.03 of the City Charter of the City of Marco Island relates to the municipal powers of the City and provides that all powers possible are granted to the City under the Constitution and laws of the State of Florida; and

WHEREAS, on March 16, 2020, the City Council established the Audit Advisory Committee pursuant to Resolution 20-06; and

WHEREAS, the City Council desires to assign additional responsibilities for the Audit Advisory Committee, to include financial reporting oversight, internal controls, risk management, performance insights, regulatory compliance, and other duties; and

WHEREAS, the City Council finds that this Resolution serves a municipal and public purpose, and is in the best interest of the health, safety, and welfare of the residents of the City of Marco Island.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, FLORIDA, AS FOLLOWS:

SECTION 1. Recitals. The foregoing "Whereas" clauses are hereby ratified and confirmed as being true, correct and incorporated into this Resolution.

SECTION 2. Creation of The City Audit Advisory Committee; Purpose.

(a) There is hereby established a City of Marco Island Audit Advisory Committee ("AAC") to be composed of members appointed by the City Council.

(b) The purpose of the Audit Advisory Committee is to serve in an advisory capacity to the City Council in the selection of an auditor to conduct the City's annual financial audit and to act in an advisory capacity with respect to the oversight of financial reporting, the evaluation of internal controls, the assessment of risks affecting the City's financial stability, the review of the City's financial performance, engagement with external auditors throughout the audit cycle, and carry out all responsibilities as provided in this Resolution.

SECTION 3. Audit Advisory Committee Membership and Responsibilities.

(a) The Audit Advisory Committee shall consist of seven (7) qualified members that are appointed by the City Council as required by Sec. 2-202, and 2-203 of the City's Code of Ordinances, who shall serve terms based on Sec. 2-204 of the Code of Ordinances. For the purposes of selecting an auditor pursuant to Section 218.391, Florida Statutes, the City Council shall appoint one City Councilmember to serve on the AAC in its capacity as the Auditor Selection Committee. For purposes of any Auditor Selection Committee meetings, the Councilmember appointed by the City Council shall serve as the Chair of the AAC in its capacity as the City's Auditor Selection Committee.

(b) At least thirty (30) days prior to the first meeting of the Auditor Selection Committee pursuant to Section 218.391, Fla.Stat., as may be amended from time to time, the City Council shall appoint, by a majority vote of the council members present at any duly noticed council meeting, one of its members to serve as the Chair of the City's Auditor Selection Committee.

(b) AAC Member Qualifications: The City Council shall ensure that all AAC members have financial expertise (financial reporting, controls, and/or risk management), are residents and electors of the City, serve without compensation, remain financially independent from City operations, and do not exceed eight continuous years of service.

(c) The Audit Advisory Committee shall perform all responsibilities relating to annual audit monitoring, financial statement review, corrective action plan oversight, and audit performance evaluation, together with the following responsibilities:

- (1) Financial Reporting: review information provided by City staff related to major areas of financial risk, fraud protection procedures, significant accounting policies and judgments; reviewing the financial statements, ACFR, audit results, adjustments, auditor-management disagreements, internal control findings, and corrective action plans; preparing evaluations of external auditors.
- (2) Financial Performance Insights: Review City financial reports, Treasurer's reports, investment policies, General Fund reserves, and providing recommendations for efficiency and financial sustainability.
- (3) Internal Controls: Serve as a resource to City Management regarding internal control systems, culture of controls, and monitoring responses to auditor recommendations.
- (4) External Auditors: assessing qualifications, independence, performance, fee proposals, recommending appointment/reappointment or termination, and meet with auditors throughout the audit cycle.
- (5) Regulatory Compliance: Inquire into processes that address financial reporting laws, and regulatory examinations.

- (6) Risk Management: Provide insights on major operational and financial risks and City policies intended to manage them.
- (7) Reporting to City Council: making annual presentations regarding material weaknesses, audit results, and other matters requested by the Council.
- (8) Additional Duties: assist with tasks as may be assigned by City Council.

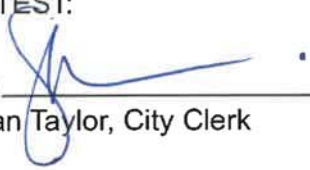
SECTION 4. Conflicts. All resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed and rescinded.

SECTION 5. Severability. If any section, sentence, phrase, word, or portion of this Resolution is determined to be invalid, unlawful, or unconstitutional, said determination shall not be held to invalidate or impair the validity, force or effect of any other section, sentence, phrase, word, or portion of this Resolution not otherwise determined to be invalid, unlawful, or unconstitutional.

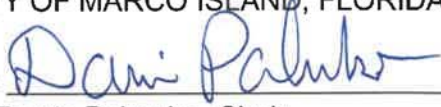
SECTION 6. Effective Date. That this Resolution shall take effect immediately upon adoption.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, this 5th day of January, 2026.

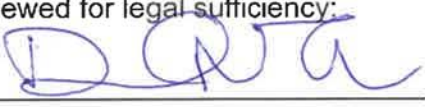
ATTEST:

By: 
Joan Taylor, City Clerk

CITY OF MARCO ISLAND, FLORIDA

By: 
Darrin Palumbo, Chair

Reviewed for legal sufficiency:

By: 
~~Alan L. Gabriel, City Attorney.~~
David Tolce, Asst. City Attorney

