



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

MEMORANDUM

EXECUTIVE SUMMARY

TO: Patti McLauchlin, City Manager
FROM: Mark Finigan, Chief Financial Officer
DATE: October 4, 2021
RE: Independent Auditing Services - Additional Two-Year Extension

ACTION STATEMENT:

This resolution will approve the extension of one (1) additional two-year renewal period for independent auditing services with Keefe, McCullough & Co., LLP for fiscal years ending September 30, 2021 and September 30, 2022, as authorized by RFP No. 008-18 for Independent Auditing Services, contract for services agreement between the City of Key West and Keefe McCullough & Co., LLP and Resolution 18-203.

BACKGROUND:

The City entered a three (3) year contract for external/independent audit services with Keefe, McCullough & Co., LLP in 2018 for a term of three fiscal years. The contract also included an additional 2-year option to extend.

"This contract provides for professional auditing services for the fiscal years ending, September 30, 2018, 2019 and 2020. CITY shall have the option to engage AUDITOR'S services for one two-year period, corresponding to the fiscal years ending September 30, 2021 and 2022. "

ADVANTAGES / DISADVANTAGES:

Advantages:

1. The firm is already knowledgeable of the City and its financial practices. They have been extremely diligent and independent in conducting annual City audits as well as providing constructive feedback on means and methods in improving the City's financial reporting requirements as well as improving the City's operations as it relates to financial processes and policies.
2. Exercising the option will result in no loss of staff time or cost to extend the current contract versus going out to bid.

Disadvantages:

1. No bid process to compete for fees.

FINANCIAL IMPACT:

The cost of the FYE 2021 and 2022 annual audit is \$130,000 per year and such an amount has been appropriated in the FY 2021-22 City of Key West operating budget.

RECOMMENDATION:

Staff recommends the City Commission approve to extend extension of one (1) additional two-year renewal period for independent auditing services with Keefe, McCullough & Co., LLP for fiscal years ending September 30, 2021 and September 30, 2022, as authorized by RFP No. 008-18 for Independent Auditing Services, contract for services agreement between the City of Key West and Keefe McCullough & Co., LLP and Resolution 18-203.