



THE CITY OF KEY WEST

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

MEMORANDUM

EXECUTIVE SUMMARY

TO: Mayor and Commissioners

FROM: Patti McLauchlin, City Manager
Christina Bernaldi, Finance Director

DATE: March 27, 2023

SUBJECT: Resolution to Establish an Auditor Selection Committee and Appoint Members

Action Statement:

Adopt a resolution to establish an Auditor Selection Committee and appoint members of the Committee including a City Commission member to serve as Chair.

Background:

The City of Key West's contract for external/independent audit services with Keefe, McCullough & Co., LLP ends at the conclusion of the Fiscal Year 2022 audit.

In order to proceed with a Request for Proposal for Auditing Services, the City is required to follow Florida Statute 218.391. A 2021 change to the statute requires the governing body to create an Auditor Selection Committee (Committee). The Committee must consist of a minimum of three (3) members. One (1) member must be a member of the governing body (City Commission) who will serve as Chair. City employees may no longer serve as a member of the select committee, however, they may serve in an advisory capacity.

The Committee responsibilities are as follows:

- Establish factors to use for the audit services.
- Publicly announce, through staff resources, requests for proposals and provide interested firms with a request for proposal.
- Evaluate proposals submitted by qualified firms.
- Rank the firms deemed to be the most highly qualified to perform the required services and make a recommendation to the governing body.

Key to the Caribbean - Average yearly temperature 77° F.

The Committee members appointed will serve on the Committee until completion of contract negotiations which result in a signed contract. This Committee will have the singular function of selecting the external auditing firm.

While the minimum Committee membership required is three (3) members per Statute, the City of Key West would like to establish the Committee with five (5) members, one (1) member of the City Commission, who will serve as Chair, and four (4) members of the community.

Financial Impact:

None.

Recommendation:

Staff recommends that the City Commission approve the resolution to Establish an Auditor Selection Committee.

Staff recommends that the City Commission select one (1) of its members to serve as the Chair of the Auditor Selection Committee.

Staff recommends that the four (4) members which do not sit on the City Commission possess a basic understanding of municipal government and/or have a background in financial and/or audit services.

Staff recommends the selection of Mark Finigan, former City of Key West Finance Director, Denise Rohrer, local CPA who has served on the previous selection committee, Lisa Knowles, former Monroe County Sheriff's Office Finance Director, and Tina Boan, Monroe County Senior Director of Budget and Finance, as its members.

Staff recommends that City Finance Director, Christina Bervaldi, serve as advisor to the committee.