

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: October 3, 2016

BIS 17-001

File: TMP-2016-509

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE AN AGREEMENT BETWEEN THE HIGHEST RANKED FIRM AND THE CITY OF HOLLYWOOD TO PROVIDE FINANCIAL AUDITING SERVICES IN AN ESTIMATED TOTAL AMOUNT OF \$695,000.00 OVER A THREE YEAR PERIOD.

Statement of Budget Impact:

1. No Budget Impact associated with this action;
2. Sufficient resources are identified /available;
3. Budgetary resources not identified/unavailable;
4. Potential revenue is possible with this action;
5. Will not increase the cost of Housing;
6. May increase the cost of Housing; (CDAB review required)

Explanation:

This Resolution seeks authorization for the appropriate City officials to execute an agreement with the highest ranked firm for Financial Auditing Services in an estimated total amount of \$695,000.00 over a three (3) year period.

Florida Statute Section 218.391 establishes auditor selection procedures for local governments, including establishment of an Audit Committee to assist in auditor selection for the completion of the required annual financial audit.

Pursuant to Resolution R-2016-116, passed and adopted on May 4, 2016 by the City Commission, an Audit Committee was established.

Pursuant to Resolution R-2016-226, passed and adopted on July 6, 2016 by the City Commission, members were appointed to that Audit Committee.

The Audit Committee approved Request for Proposals (RFP) Number 4505-16-RD, establishing the factors for the evaluation and selection of an auditor in compliance with state statutes.

RFP Number 4505-16-RD was electronically advertised on July 29, 2016 in accordance with Section 38.42(A) of the City's Purchasing Ordinance, and was opened on August 26, 2016 at 3:00 p.m. resulting in the following five (5) responses:

- BDO USA, LLP; Miami, Florida
- Keefe McCullough; Fort Lauderdale, Florida
- Marcum LLC; Fort Lauderdale, Florida
- Moore Stephens Lovelace, P.A.; Orlando, Florida
- RSM US LLP; Fort Lauderdale, Florida

The Audit Committee determined that BDO USA, LLP modified the City's Hold Harmless and Indemnity Clause language, and deemed them to be non-responsive. Using the criteria established in the RFP, expertise and experience, audit approach and price, the Audit Committee evaluated the remaining four (4) proposals and compiled the scores to arrive at the following ranked order, and agreed that no additional proposer information or presentations would be required.

1.	RSM US LLP	460
2.	Marcum LLC	431
3.	Moore Stephens Lovelace, P.A.	417
4.	Keefe McCullough	335

The Audit Committee unanimously recommended that the City Commission authorize the negotiation and execution of an agreement for a term of three (3) years, with an option to renew for two (2) additional two (2) year periods with the highest ranked firm to provide the Financial Auditing Services.

This award is subject to the City receiving all insurance required and approved by the City's Risk Manager, along with signed statements of Hold Harmless and Indemnity to the City.

Funding for this agreement has been appropriated and is available in the FY 2017 Audit Services accounts in various City and CRA funds, and will be requested in subsequent Fiscal Year budgets.

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